



# INDEPENDENT

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WEDNESDAY 13 DECEMBER 1995

## BLAIR'S NEW ESTABLISHMENT

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## Doctors' fury over 'safe' drink limits

New levels condemned as 'boozers' charter

LIZ HUNT  
Health Editor

The Government gave the drinks industry a pre-Christmas boost yesterday by relaxing its advice on sensible drinking limits, bringing a storm of protest from the medical establishment.

Making the announcement just one week after the launch of Government's Christmas drink-driving campaign, Stephen Dorrell, Secretary of State for Health, said there was strong evidence that one to two units of alcohol a day provides "significant health benefits" while up to four units a day for men and three for women "will not accrue any significant health risk".

The new advice goes so far as to say that middle-aged or elderly teetotalers may wish to consider the benefits of "light drinking", and says that women at any stage of pregnancy can drink up to 4 units a week.

A spokeswoman for the World Health Organisation described the guidance as "absolutely crazy". Dr Mariella Montero, medical officer in the WHO's programme on substance abuse, accused the Government of "being in the pocket of the drinks industry".

John Bowis, health minister, will today try to defend the Government's position at a WHO ministerial conference in Paris which aims to develop a strategy for cutting alcohol consumption in Europe by 25 per cent by 2000.

The Royal College of Physicians said that people would be encouraged to drink more, and there would be an increase in deaths in road accidents and

"social damage in society as a whole". Dr Sandy Macara, chairman of the British Medical Association Council, said the advice was "irresponsible and badly-timed", and the jury was still out on any health benefits.

Alcohol Concern said the advice should not be taken as a "green light" to drink more.

However, Dr John Rae, director of the Portman Group, a research group representing seven of the UK's leading drink

a weekly figure, it represents an increase of 33 per cent.

Mr Dorrell dismissed claims that he was issuing a boozers' charter and said that people had a right to know the latest findings. The advice is based on a study by an inter-departmental working group which considered evidence from almost 90 expert sources.

The report concludes that there is strong evidence that one or two units daily can reduce deaths from coronary heart disease in men over 40 and post-menopausal women. There is no evidence so far of a protective effect in younger drinkers.

Mr Dorrell said: "Alcohol consumption will always be a major public health issue and it is important for the Government to present a balanced view which recognises the risks but also offers soundly based and credible advice on which people can base their own choices."

He said the "most significant" change in the advice was the shift to a "daily benchmark" rather than a weekly amount. Situations in which people should not drink - at work, when driving, using machinery or electrical equipment - remained the same. "The best level here is none," Mr Dorrell said.

Dr Kenneth Calman, chief medical officer, denied that the new "limits" undermined the advice that GPs give to patients, based on the guidance of the Royal Medical Colleges and the BMA. However, his answer to questions at a press conference did little to clarify the issue. "If you drink up to three units a day, there is no adverse affect. If you drink consistently four units a day, you face an increasing health risk," he said.



manufacturers, welcomed the Government's "brave risk". He said: "I think it's right and in the long run we'll have fewer alcohol problems if you treat people like adults."

The previous guidance defined sensible drinking limits as 21 units a week for men (equates to three units a day) and 14 units a week (two units a day) for women. One unit is equivalent to half a pint of beer, a small glass of wine or a pub measure of spirits. If the new guidance is translated into



Flying free: Captain Frédéric Chiffot (right), and Lieutenant José Souvignat after their release by Bosnian Serbs

Photograph: Emil Vas/Reuters

## Joy in France as pilots are released

MARY DEJEVSKY  
Paris

The two French pilots missing for three months after their plane was shot down over the Bosnian Serb enclave of Pale were released yesterday after a flurry of last-minute negotiations, just two days before France hosts the signing of the Bosnian peace agreement.

The pilots, Captain Frédéric Chiffot and Lieutenant José Souvignat, were handed over to the chief of staff of the French armed forces, at a short ceremony in Zvornik on the border of Bosnia and Serbia.

They were flown immediately back to Paris, where they were met on the tarmac by their

wives and a joyous President Jacques Chirac.

The fate of the pilots had become a major preoccupation of the French authorities in recent weeks. Mr Chirac last week threatened unspecified consequences if the pilots were not released, while the foreign minister, Hervé de Charette, made clear during the London conference at the weekend that the whole peace process could be in danger.

Yesterday the Prime Minister, Alain Juppé, said that their release had been due in large measure to the personal "involvement and tenacity" of the French president.

Since photographs of the two taken after their capture were

published in the magazine *Paris Match* in September, there had been no reliable information about their whereabouts and there was speculation that they were dead or badly injured.

Yesterday Lt Souvignat said that they had been well treated, but that they had been held separately for their first six weeks in captivity. From the air base near Nancy Captain Chiffot's wife, Isabelle, said that there was a "veritable explosion of joy in the hearts of their families and at the base", when news came of their release: "it's an extraordinary day."

Both Mr Chirac and the Bosnian Serb commander, Ratko Mladic, paid tribute to Russia's mediating role, and the

Russian military attaché in Belgrade, Viktor Shipilov, attended the handover ceremony yesterday. On the French side the delicate negotiations were handled by a former secret service officer, Jean-Charles Marchiani, who negotiated the release of French hostages in Lebanon and during the hijack of a French airliner at Marseilles last Christmas.

While French politicians lavished praise on Mr Chirac for obtaining the release of the pilots, questions were already being asked about the terms of a possible deal.

Two weeks ago the Bosnian Serb leader, Radovan Karadzic, had said that the release of the pilots could be speeded up

if France ensured guarantees for the safety of Serbs remaining in Sarajevo. Yesterday the Elysee said that there had been "no negotiations with anyone" and that France had "only put pressure" on the Serbian leader, Slobodan Milosevic.

There was speculation, however, that Mr Karadzic and Mr Mladic might have demanded a softening of the war crimes indictment pending against them in return for the pilots' release. And amid the widespread international rejoicing, there was bitterness among Serbs, with Bosnian Serb radio lamenting that "two pilots who bombed us" were "gloriously liberated because France requested it".

Pilots' story, page 9

## Branson: Sue me over bribes claim

CHRIS BLACKHURST  
Westminster Correspondent

Peter Davis, the Oflot regulator, came under strong political pressure last night over his alleged failure to act over Richard Branson's bribery allegations and his acceptance of free flights from a partner in the Camelot consortium.

Mr Branson, head of the Virgin group, yesterday repeated claims that Guy Snowden, the head of OFTECH, which has a 22 per cent stake in Camelot, had tried to bribe him at his home in September

1993. He claimed Mr Davis had been told of the approach but had chosen to ignore it.

In the face of denials by Mr Davis and Mr Snowden, Mr Branson, currently in Japan, challenged them to sue him. He said he would be writing to Mr Davis with accounts of their meeting at the offices of Oflot in May 1994, from himself and two colleagues, John Jackson and Gerard Tyrrell.

Meanwhile, Labour joined the fray, when Jack Cunningham, the party's national heritage spokesman, said Mr Davis had put his position "in ques-

tion" by accepting the free flights. Dr Cunningham called for a Government statement on the controversy from Virginia Bottomley, the Secretary of State for National Heritage.

Both Mr Jackson and Mr Tyrrell said yesterday their memory of the meeting tallied with Mr Branson's. Mr Tyrrell is understood to have taken a note of the conversation which took place before a formal discussion about the award of the National Lottery to Camelot in preference to Virgin.

However, their account was strongly denied by Mr Davis.

The Oflot head was consulting Government solicitors about suing Mr Branson. "Any suggestion Richard Branson mentioned any allegations of impropriety concerning Guy Snowden to Peter Davis is absolutely untrue," said an Oflot spokeswoman. She said no formal complaint of impropriety had been made and if it was, it would be investigated.

Mr Branson was at pains to explain why he did not raise the allegations earlier, inbetween apparently telling Mr Davis and informing a team from BBC's *Panorama*, which broad-

cast them on Monday. He claimed it was because nobody had raised GTECH or Mr Snowden with him before and when *Panorama* did he reached for the notes of his meeting in September 1993.

In fact, he did raise them, with another journalist, a short time after the Branson-Snowden meeting. Tim Jackson, who wrote an unauthorised biography of Mr Branson, is understood to have received a detailed account of the meeting but was unable to confirm it.

Meanwhile, attention focused on a telephone call to Mr

Branson from Sir Tim Bell, GTECH's public relations adviser, shortly after Mr Snowden is said to have made his offer. According to Mr Branson and Will Whitcomb, his own PR adviser, who heard the call on a speaker phone, Sir Tim said he understood Mr Snowden had said things he might regret. They say Sir Tim asked if Mr Branson planned to relay Mr Snowden's offer to the press.

That account was hotly disputed by Sir Tim who said he called Mr Branson about something else arising from the meeting with Mr Snowden.

### An open letter to St George's pupils

As midnight tolled last Friday, your head teacher, and my husband, lost his fight for life.

Your sweet letters to me recognise that, in that moment, the world was deprived of a man of great strength, tenderness and profound understanding.

You tell me how he gave you pride in your school and, even more importantly, in yourselves. You speak of his friendliness and humour.

At home, he would share with me and our children his delight in your daily progress and his conviction that each one of you is a fine human being who has the potential to achieve great things. I share that conviction.

Through your loving letters, I can see how much you care about other people. I can see that you understand the difference between right and wrong and your belief that love should always overcome hatred.

Your head teacher's - my husband's - death will not be in vain if you grow up with these ideals rooted firmly in your hearts. I have heard so much about you all. I have found great comfort in your letters and comments. I should like to visit you in the New Year.

Violence is not a knife in the hand. It grows, like a poison tree, inside people who, unlike yourselves, have not learned to value other human beings.

Now, I trust you to work as hard as you can, in school and at home, to create a world in which goodness is never again destroyed by evil.

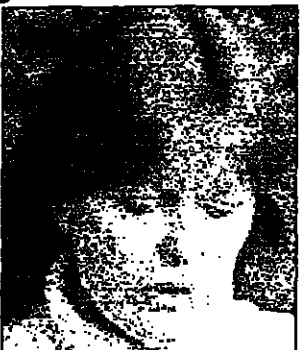
## Love must triumph over hate, says head's widow

JASON BENNETT  
Crime Correspondent

The widow of Philip Lawrence, the headmaster who was stabbed to death outside his school, yesterday wrote to her husband's pupils saying that his death would not be in vain if they learnt that "love should always overcome hatred".

Frances Lawrence, whose letter was read to the pupils over the school tannoy system, added that she hoped the murder would be a life-long lesson for the youngsters showing the difference between right and wrong.

It was her first public statement since her husband was murdered on Friday, while protecting a pupil from a gang of youths outside St George's Ro-



A wonderful letter: Philip Lawrence's widow Frances

man Catholic School, Maida Vale, west London. Ian Hamerton, administration manager at St George's, said later: "It was a wonderful letter and highly appropriate."

For the second day children arrived for school with flowers in memory of Mr Lawrence, a 48-year-old father of four. Det Supt Brian Edwards, leading the inquiry, appealed to the family, relatives and friends of the youths involved to contact police. Scotland Yard has denounced reports that the murder team is on the verge of making arrests.

Jack Straw, shadow Home Secretary, has written to Michael Howard, the Home Secretary, offering Labour support in any curb on knives. He called for tougher jail sentences for the illegal carrying of knives and urged a change in the law to put the onus on anyone with a knife to prove they had it for a legitimate purpose.

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### IN BRIEF

**Redwood challenge**  
John Redwood issued a fresh challenge to the Prime Minister over Europe. Page 8

**Conveyancing row**  
The Law Society faces a stormy meeting tomorrow when thousands of solicitors try to cut-price conveyancing. Page 7

**England's tough draw**  
England will meet Italy, Poland, Georgia and Moldova in the qualifying competition for the 1998 World Cup. Page 26

**Today's weather**  
Generally cloudy, with the best of any sunshine in the West and Scotland. Section 2, page 21

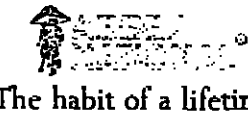


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## news

# New setback for rail franchise plans

CHRISTIAN WOLMAR  
and STEPHEN GOODWIN

The fate of the Government's rail franchise plans is hanging in the balance after three Court of Appeal judges unexpectedly decided to postpone their decision on an attempt by campaigners to declare the process unlawful.

Sir Thomas Bingham, Master of the Rolls, sitting with Lord Justice Waite and Lord Justice Otton, had said on Monday that they would rule on the case brought by the Save our Rail-

ways campaign yesterday, but instead they announced a further delay of their decision until Friday.

The postponement, which the judges said was because they felt it would be wrong to be "stampeded" into judgment "when none of us feel ready to do so", forced the Government to cancel yesterday's planned announcement of the winners of the first two franchises.

The cost of rail privatisation again provoked sharp exchanges in the Commons between the Prime Minister and

Tony Blair, the Labour leader. John Major sidestepped repeated demands by Mr Blair to know whether the public subsidy to the railways was set to rise dramatically after privatisation, and what was the latest official estimate. But he accused the Labour leader of trying to "smear" the sale when every previous privatisation had been a success. "Rail privatisation will produce a better service for all passengers. If Mr Blair waits for the new franchise decisions he will begin to see that himself."

The first franchises for pas-

senger services on South West Trains and LTS (London, Tilbury and Southend) Rail were due to be announced yesterday, and Jeremy Sullivan QC, for Roger Salmon, the director of rail franchising, asked if the signing ceremonies could go ahead.

He said he would make an undertaking to the court to adjust the franchise as necessary to obey the eventual judgment, but Sir Thomas Bingham said signing of the contracts should await the judicial outcome.

The Secretary of Save Our

Railways, Keith Bill, welcomed the fact that the "very senior judges" of the Court of Appeal were taking the issue seriously enough to grant a stay of the franchise signing to give themselves more time to consider. "We are very pleased the judges ordered the franchise director not to go ahead with any signing until the judgment," he said.

Although the Government - which has already missed its franchising targets several times - will be anxious to sign the first two or three away before Christmas, whoever loses this

case is likely to appeal to the House of Lords, causing further delays.

Yesterday, the *Independent* learnt that Chiltern Railways, which should have been ready for tenders before Christmas, is also now delayed because Mr Salmon failed to consult widely enough with rail operators in the Midlands. The franchise will not be offered until next month at the earliest.

The case centres on the fact that Mr Salmon - in drawing up his "passengers service requirements" for the minimum

service level to be provided by franchise operators - left out large numbers of trains which are on the timetable.

Mr Justice Macpherson had ruled in the High Court that Mr Salmon did not act "perverse, irrationally or unfairly" and dismissed the case, but the Appeal judges listened much more sympathetically to the Save Our Railways' case.

Should the case eventually be won by the campaigners, it is likely that the Government will have to start the whole franchising process again.

## IN BRIEF

## MP's death cuts:

## Tory majority to 5

Sir David Lightfoot, the former Tory whip and MP for Staffordshire South-East, died yesterday of a heart attack which struck while he was watching the Varsity rugby match at Twickenham. He was 63.

His death cuts the government's majority to five, but his seat is eminently winnable by Labour, which would take the majority down to three, assuming Labour holds Hensworth, the Yorkshire seat currently vacant after the death last month of Derek Ebor. Sir David had a majority of 7,192 over Labour at the last election, vulnerable to a 6.3 per cent swing. The Liberal Democrats trailed a poor third, with just under 10 per cent of the vote in 1992.

## Hospital inquiry

Police have dropped an investigation into a possible cover-up at the hospital where the killer nurse Beverly Allitt murdered four children. But senior officials at Grampian and District General Hospitals, Lincoln, said they would carry out their own investigation after an incident earlier this year when an 83-year-old patient received an insulin overdose.

## Live calves ruling

The RSPCA, Commission for World Farming, the International Fund for Animal Welfare and others are mounting a judicial review of the European Court of Justice's ruling that live calf exports to the European Court of Justice. They claim that "agriculture minister, Douglas Hogg has the legal powers to ban calf exports to Europe. The group wanted the European Court of Justice to decide on the issue and the High Court in London agreed to a referral to Luxembourg.

## School challenge

Pupils and parents at Hackney Downs School, the first to be recommended for closure by Government-appointed "inspector", failed in a High Court bid to win a last-minute reprieve. But they were given leave to appeal and the case is expected to be heard before the day - the last day of term - the effective closure date, leaving pupils unclear as to where they will be sent after Christmas.

## Noise fitter

Noisy neighbours face a £100 on-the-spot fixed penalty if they refuse to comply with warnings to tone down night time noise, under tough measures announced by the Government. The creation of a new night-time noise offence - between 11pm and 7am, is part of a package of measures to tackle and clarify ways of dealing with the problem of noise in towns and cities. Under the new offence - noise such as from a ghetto blaster, discotheque or live band or machinery - would have to exceed 35 decibels and the background level by at least 10 decibels when measured in a complainant's house, before action is taken. If Government decides to purchase it compulsorily, then the trust has a special right to put the matter before both houses of Parliament.

Lottery bribes row: Millionaire tells of meeting with GTECH boss and how he shared concern with Oflot

## Lunch left Branson with indigestion

CHRIS BLACKHURST  
Westminster Correspondent

The six men in the room nodded politely to each other. Four of them stood at one end, chatting and waiting for the meeting to begin. Two sat at the table, going through their papers.

One, Richard Branson, had been brooding for 48 hours about what he was going to say. No sooner - by his account and those of his two colleagues - had he greeted Peter Davis, the director general of Oflot, the lottery regulator, than he dropped the bombshell.

How could a committee headed by Mr Davis have sanctioned awarding the lottery to Camelot? Mr Branson argued that one of Camelot's shareholders and the company that would be running the game on behalf of the consortium, GTECH, had been pilloried in the press for its handling of lotteries in America.

Mr Branson retold his own experience of dealing with them, when Guy Snowden, the GTECH co-chairman, had made him a bizarre offer - which he believed was a bribe.

Mr Davis, according to the Branson version, launched into a strong defence of GTECH, saying the American firm had been looked at by Interpol and given a clear bill of health.

It was all over in seconds. Mr Davis made clear his lack of intention to rake over the American company's antecedents and Mr Branson and his two colleagues, John Jackson and Gerard Tyrrell, sat down. The formal discussion began into why, two days previously, Mr Branson's Lottery Foundation bid had proved unsuccessful.

That was in May 1994 at Oflot's headquarters in Haymarket, London. Eight months previously, over on the other side of town, in the very different surroundings of Mr Branson's family home cum business

headquarters in Holland Park, another meeting had taken place.

Keen to explore the possibility of running a non-profit-making draw, Mr Branson and Mr Jackson, his bid co-ordinator, had suggested a lunchtime meeting with Mr Snowden the world's biggest specialist lottery operator.

The company was not alone - other companies like IBM and ICL had been contacted to see what they could bring to the Branson table.



Sir Tim Bell: Viewed with suspicion by Branson camp

GTECH, as Mr Branson knew, was committed to the Camelot consortium, but he made his pitch anyway: would GTECH be interested in joining him? Snowden could not see what was in it for GTECH and, besides, it was already tied to Camelot. The only way GTECH could help Mr Branson would be if he joined the Camelot consortium.

It was then, according to the Branson-Jackson account, that Mr Snowden made his play. Over the sweet course, he said: "Well, I don't know how to phrase this, Richard. There is always a bottom line. In what way can I help you, Richard? I'm sure everybody needs something."

Mr Branson did not ask him what, exactly, he had in mind

but soon after, left the room, went up the stairs to the toilet, and made a hasty note of what had just been said.

Soon after Mr Branson returned, the lunch ended and Mr Snowden left. Snowden categorically denies having offered Mr Branson a bribe. Later that afternoon - two days later, according to the other side, although the lunch had been on a Friday and Mr Branson would not have been in London on a Sunday - Sir Tim Bell, the public relations guru, called.

Appointed by British Airways to deal with the media fall-out from the airline's dirty tricks campaign against Virgin, he was viewed with deep suspicion in the Branson camp. Intrigued as to what he wanted - and anxious that Will Whitehorn, his own PR man, should bear witness - Branson put his phone on the speaker.

Mr Branson and Mr Whitehorn say Sir Tim did not beat about the bush. He said he acted for GTECH and was following up on the lunch meeting. He had heard it had not gone well and he was concerned Mr Snowden may have said unfortunate things he might regret. According to Mr Branson and Mr Whitehorn, Sir Tim asked: "Are you going to be saying anything about it?"

Mr Branson's reply, they claim, was succinct: "What's the point? I'm going to bid for the lottery."

The Bell version is different. There was a phone call following Mr Snowden's lunch. It was at Mr Snowden's request, to tell Mr Branson his approach to GTECH would be put to the Camelot board. Did Sir Tim say those words? "Absolutely not."

Mr Branson is itching for a writ, challenging Mr Davis, GTECH, Mr Snowden and Sir Tim to sue him. If they do, a great public battle hinges on his word and those of his team against theirs, is promised.



Quiet man: Peter Davis is the epitome of respectability

Photograph: David Rose

## Man who has pride in being boring

Chris Blackhurst finds an unlikely target for trouble

Peter Davis who, in his own words, prides himself on being "a middle-aged accountant, ultimately very boring and respectable", must find the current furor his worst nightmare.

Aged 54, this quiet figure is the epitome of respectability and safety. A partnership at Price Waterhouse by 32 was followed by a spell with the Harris Queensway carpet group, a management post with Sturge, the insurance company, and the post of deputy chairman of Abbey National.

By the time headhunters searching for a safe pair of hands to oversee the running of the lottery came calling, he was, unusually, out of work.

Director general of Oflot was a job he wanted. He has offered this description of why he was picked: "If you look at Peter Davis, you could say he has skills in banking, retailing and finance. I think I am a careful, cautious chap who has an understanding of the commercial side of life."

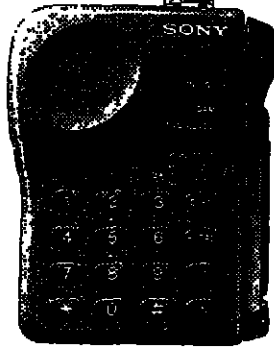
It must have been raining, then, to be told by the Public Accounts Committee that he was ill-advised to have taken the flights. Mr Davis said he had taken advice and, without the GTECH jet, the trip, to visit lotteries in the US, "would have taken a great deal longer and would have cost the taxpayer a great deal more".

But this, from Alan Williams MP, must have stung. "The impression is that you are an innocent abroad when it comes to dealing with US gambling operations. You are left floundering and out of your depth." When it comes, the PAC report may end a very British career.

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## Record rise in pupil violence

JUDITH JUDD  
Education Editor

A record rise in pupil violence against teachers and other children was revealed yesterday in a survey.

The National Association of Schoolmasters' Union of Women Teachers published figures showing that serious attacks on teachers are up by 37 per cent on last year.

Many attacks are by pupils who have been excluded from school by headteachers for violence and who are returned after appealing, says the survey.

One Sheffield pupil who had been permanently excluded for threatening a teacher with a knife was reinstated by governors. In a Birmingham school teachers and pupils were regularly attacked by a five-year-old.

There were 51 violent incidents, mainly attacks on teachers, compared with 37 last year, says the NASUWT. The previous highest figure was 50 assaults in 1987.

The figures include only the most serious cases in which the union has been asked to intervene. Most incidents are dealt with by individual schools.

Nigel de Gruchy, the union's general secretary, said: "These figures are only the tip of a very large iceberg of indiscipline."

The worst aspect is the number of children who have been returned to their schools on appeal after being excluded by school heads and governors. It is time for teachers to be supported in their efforts to teach the majority of children who want to learn without fear of violent disruption."

## Asda attacked as 'Scrooge'

BARRIE CLEMENT  
Labour Editor

Asda stores chief Archie Norman was branded a "Scrooge" yesterday after withdrawing Christmas bonuses from women who have taken maternity leave.

As part of a crackdown on absenteeism, management is reducing or withdrawing the festive pay-out to anyone who has taken time off within the last six months.

The company has made no exception for pregnant women and could now be taken to court for sex discrimination by the GMB general union. The fact that fathers who have taken paternity leave could also lose their bonus, will prove no defence to any lawsuit, employees' representatives argue.

Donna Covey, national officer for the GMB general union at the stores group, predicted that the company would tomorrow report a 20 per cent increase in half-yearly profits and said it was the worst case of "penny-pinching" she had seen. Management grants a £20 Asda voucher to staff who work more than 15 hours a week and £10 to those who work less than 15 hours. Employees will not be paid the bonus if they have an absence rate within the last six months of 3.4 per cent - approximately four days on a 37.5 hour shift. Those with an absence rate between 0.1 and 3.3 per cent will lose half the payment.

Ms Covey said: "Asda are hugely profitable and can easily afford to give all their staff the £20 vouchers."

## Town Hall chaos as Church sticks to his guns

PATRICIA WYNN DAVIES  
Political Correspondent

Walsall Council leader "Citizen" Dave Church and 14 fellow left-wing activists were effectively expelled by Labour yesterday for setting up a "party within a party".

The move comes less than a month after Mr Church, his deputy, John Rothery and the former council leader, Brian Powell, were suspended from the party by its national executive committee, pending an investigation by John Prescott, Labour's deputy leader, into claims that they were operating within a splinter organisation, the Walsall Socialist Group.

The row leaves the West Midlands council with two competing Labour factions - and the future governance of the district in disarray and uncertainty. Labour's action - subject to ratification by the National Constitutional Committee but a virtual foregone conclusion - came after a defiant Mr Church, supported by Mr Rothery and 13 other councillors, insisted at a council meeting on Monday night that he remained council leader, with Mr Rothery his deputy, despite the suspensions.

The chaotic turn of events comes after an unrepentant Mr Church vowed he would not "go quietly" after being sus-

pended. "The people of Walsall voted me in and this is where I will stay until they vote me out again," Mr Church declared after the meeting.

Of his controversial "power to the people" decentralisation drive, he said: "If the national party is worried that trying to introduce more democracy in Walsall is embarrassing, that's up to them."

A furious Labour HQ swiftly invoked section 2A.4(b) of the Labour Party rules, the provision used to expel members of Militant and other Trotskyist groups, which says: "A member of the party who joins and/or supports a political organisation other than an official Labour

group or other unit of the party shall automatically be ineligible to be or remain a party member."

A spokesman claimed the group had effectively "expelled themselves" by their actions. They would be prevented from re-applying for membership for at least five years.

Ray Farrell, a moderate, was elected by the official Labour group as council leader last week, in place of Mr Church. A Labour spokesman said: "In the Walsall Socialist Group we are dealing with a Militant-style organisation. The earlier allegations about a party within a party were absolutely accurate and well-founded."

The spokesman went on to castigate Tory and Liberal Democrat councillors for failing to support moves by the official Labour group to install new committee chairmen and vice-chairmen in place of Walsall Socialist Group members who had resigned. Five of six Liberal Democrats voted with the Walsall Socialist Group. None of the chairmanships was settled.

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# Rapist 'may have struck 100 times'

JASON BENNETTO  
Crime Correspondent

A serial rapist and convicted sex offender who stalked his victims as they walked home late at night was given five life sentences yesterday for "ferocious" attacks on eight women.

Police believe up to another 100 women were also attacked by Victor Willoughby, 30, but have not reported the crimes. Yesterday they appeared for them to come forward.

The Old Bailey was told that Willoughby began targeting his victims in London two months

after he was released from jail for a previous sex attack. He showed no emotion as the jury convicted him of four rapes, buggery, three indecent assaults, false imprisonment, and robbery.

The eight women, aged between 16 and 47, were subjected to sexual assaults around Willesden, north-west London, over a 12-month period. Willoughby, of Tottenham, north London, stalked night buses and scoured streets in his search for victims. All the women were on their way home after a night out.

A DNA sample was used to

convict the rapist, who had denied all the charges.

The Common Sergeant of London, Judge Neil Denison, said the attacks "were all of the most appalling ferocity".

"The protection of the community and particularly of women requires that I pass an indeterminate sentence."

Detective Superintendent Duncan MacRae, who led the investigation, speaking after the trial, said: "Our inquiry tells us there are many more victims out there. Certainly he is the most prolific rapist to be caught using DNA. We are

dealing with the tip of the iceberg... I would not be surprised if over 100 rapes had been committed."

He said Willoughby was the most dangerous serial sex offender he had ever come across.

The police yesterday appealed to women who had not yet reported attacks to contact their helpline on 0181 733 3842.

Willoughby was trapped by a police surveillance operation, codenamed Pandora, in which plain clothes officers followed night buses. In October last year the rapist, who always wore a hood or mask, was seen fol-

lowing a night bus in a stolen car and chased by police. He escaped but one of the officers recognised him.

DNA tests on a sample of his hair matched semen found after several of the attacks.

Willoughby had previously been sentenced to eight years in 1986 for attempting to rape a woman walking home from a night bus. On his release in 1992, he wounded a man in a street attack and was sent back to prison for 12 months.

Released in August 1993, he began stalking and attacking his current victims within weeks.

Two were in court yesterday to see him sentenced.

In one attack he pretended he was a minicab driver and then raped the woman in the car. Another he knocked out before driving her to a garage where he raped her.

In some attacks he hid behind bushes and pounced on his victims from behind, dragging them into alleyways and, on one occasion, into a churchyard.

He received life sentences for each of the rapes and the buggery. He was jailed for 10 years for the indecent assaults, 10 years for false imprisonment,

eight years for robbery and attempted robbery and 12 months for dangerous driving - all to run concurrently.

Two of his victims - both students - joined the police appeal for other women attacked by Willoughby to come forward.

One victim, aged 22, said the attack had changed her life and made her so angry she was determined to go through with the court case. "It has made me a lot more nervous about going out. It has made me rethink everything I do - like walking down the street, going out at night, everything," she said.



Victor Willoughby: Given five life sentences

**New drink guidelines** Doctors and anti-alcohol campaigners have united to oppose Government recommendations on intake

## Advice is out of step with medical opinion

LIZ HUNT  
Health Editor

Government recommendations on alcohol intake have been subject to revision before, but yesterday's announcement is the first time such advice has been so out of kilter with the opinion of the Royal Medical Colleges, the British Medical Association and anti-drink campaigners.

The medical establishment had suspected that such moves were afoot and had taken action to persuade the Government to think again, with a number of influential reports this year.

In April, the BMA published *Alcohol: Guidelines on Sensible Drinking*, compiled by its Board of Science and Education, which concluded that: "The current limits of 21 units per week for men and 14 for women, should be maintained."

A joint report from the Royal College of Physicians, the Royal College of Psychiatrists and the Royal College of General Practitioners in June urged the Government not to raise current safe drinking limits.

At a press conference to launch *Alcohol and the Heart in Perspective: Sensible Limits Reaffirmed*, senior doctors warned against the powerful influence of the drinks lobby which was pushing the message that alco-

hol is good for health, and lobbying ministers for a relaxation on limits. Professor Sir Leslie Turnbull, president of the Royal College of Physicians, said the Colleges were "absolutely opposed" to raising the limits.

Just last month, the Royal College of Physicians and the British Paediatric Association warned that the drinks industry was targeting young people with a new range of alcoholic lemonades and colas. *Alcohol and Young People* concluded that alcohol was at least as great a threat as illegal drugs to child health.

Prior to this, doctors and the Department of Health had worked in harmony to establish the message of safe or low risk drinking limits. This concept did not appear until 1984 when the then Health Education Council issued its pamphlet, *That's the limit*. This defined the amounts of alcohol, well within "safe limits," which people were advised to limit their drinking. For men it was 18 "standard drinks" (equivalent to units) a week and 9 for women. "Too much" was defined as 56 a week for men and 35 for women.

In the 1987 edition of the leaflet, the sensible limit - defined in units for the first time as the limits above which health risks could accrue - were set at 21 units a week for men and 14

units a week for women. These were endorsed by the Royal Colleges, and officially adopted by the Government in the *Lord President's Report on Alcohol Misuse* in 1991. They were used to set targets in the *Health of the Nation* for reducing alcohol misuse in 1992.

However, throughout the late 1980s and early 1990s studies were being reported which suggested that moderate alcohol consumption had a protective effect on the heart. This led to doubts about the possibly restrictive nature of the guidelines - especially as some countries with low rates of heart disease, such as France, had a much higher alcohol intake overall - and widespread confusion on the "to drink or not drink" issue. In 1994, the Government set up its inter-departmental working party which reported yesterday to review the current sensible drinking limits.

Stephen Dorrell, Secretary of State for Health, dismissed suggestions that publication of the report, less than two weeks before Christmas, had any sinister motive. However, leading doctors who have been repeatedly issued warnings of the insidious influence of the drink manufacturers, insisted that the timing was calculated to instil a false sense of security in people who like to drink but worry for their health.



Toasting their health: Lunchtime drinkers in central London after yesterday's controversial advice on alcohol intake Photograph: Dillon Bryden

## Bemused indifference from Britain's drinking classes

DECCA AITKENHEAD

The decision to raise the recommended safe limits met with bemused indifference among drinkers in London's West End yesterday lunchtime. The new guidance was widely dismissed as laughable, and irrelevant to people's drinking habits.

"I've never paid any attention to it before, and I won't start now," scoffed Nicky Jones, a 40-year-old, enjoying a pint of beer in The Salisbury, in Covent Garden.

"On average I suppose I drink about four pints of bitter a day, if not more."

"Those official limits are for other people - they're certainly not for me. I enjoy my drink and nobody's going to dictate to me what I should or shouldn't do," she said.

At the nearby Lamb and Flag, another middle-aged female drinker was equally robust. "I wish they'd even it up between men and women. Then I might pay some attention. I think it's crap to say that men can drink more than women. The levels don't affect

how much I drink - they just affect what I tell my doctor I drink."

Others were sceptical of the credentials of the new recommended levels. Robin Gray, 40, a graphic designer, enjoying a pint with colleagues, asked: "Why on earth should we trust the new figures, when they've admitted that the old ones were pulled out of a hat because they were easily divided by the days of the week?"

"There was no scientific val-

ue in them, and I don't expect there is in the new ones either."

One colleague, Keith Freshwater, 20, said: "You may have the recommended figure somewhere in the back of your head, but you certainly don't ever go out thinking 'Ooh, I've had this many units this week, I'd better not have any more.'"

On average, he said, he drinks a couple of pints a day, plus six or more on a Friday and Saturday night. "Safe levels for health don't worry me. The

thing that worries me more is that I used to be able to drink more, and now I don't seem able to."

Hangovers, driving and cost were also cited as more effective deterrents than health worries. Natasha Longworth, 19, a student who admits to drinking well over the old recommended levels, said: "What you think about when you drink is how you are going to feel the next morning - that's all."

Paul Webster, a businessman in his 40s, accused the Government of bad timing. "Why are they encouraging people to drink a bit more at exactly the same time as they are running a campaign against drink-driving?" he asked.

As the lunchtime trade departed, retired seaman Peter Barnes was still standing at the bar. He is there every day, he says, from "midday till, well, let's say teatime." And he admitted: "I can't honestly say I've never heard about any of these levels. The only thing that sends me home each day is the bloody price of a pint."

## Child 'traps' proposed

Children should be allowed to pose as customers to trap off-licence sellers of alcohol to underage buyers, Labour said yesterday. The call came as a leading children's doctor said three out of four emergencies she had encountered at one stage involved drunk adolescents.

Labour's consumer affairs spokesman, Nigel Griffiths, called for a change in the law to allow trading standards officers and police to work with children to make "test"

purchases of alcohol. The law allows children, under supervision, to buy cigarettes, adult videos and fireworks. However, it is illegal for children to buy alcohol, so test purchases can not be made, as the children would also be guilty.

Mr Griffiths said he wanted the 1968 Licensing Act to be amended. "Test purchases are an effective and proven deterrent. I cannot understand why Home Office ministers are dragging their feet," he said.

## The unit and you explained

Q What is a unit?

A unit of alcohol is 8 grams: the amount contained in half a pint of ordinary beer or lager, or in a small glass of wine or in a standard measure of spirits.

Q How many units can I now drink?

As much or as little as you want. However, new advice from the Government is that regular consumption of between three and four units a day by men of all ages - and two and three units by women - does not present a significant health risk.

Men who drink consistently four or more units a day (3 or more units for women) are warned of the progressive health risk associated with this behaviour.

Q How do the new guidelines compare with existing advice?

The Government's current sensible drinking advice is that drinking less than 21 units a week by men - which equates to three units a day - and 14 units a week by women - 2 units a day - is unlikely to damage health.

Q Why is the Government switching to daily guidelines?

The Government says that a recommended daily alcohol limit is a more useful aid to drinkers monitoring their intake, than a weekly total. It argues that it will help people avoid drunkenness by encouraging them to plan how much to drink on a social occasion. The weekly limit bears little relation to single drinking episodes and may mask heavy binges, ministers say.

Q Does it make any difference I use up most of units in a binge?

Yes. Apart from the social impact of binge drinking - violence, depression, suicidal behaviour, the increased risk of accidents - the health benefits of alcohol is more evident with regular daily drinking.

In fact the benefits may be lost altogether - and the health risks exacerbated - by irregular heavy drinking episodes.

Q What is the evidence that drinking is A. harmful; B. beneficial

A: In the short term alcohol is implicated in many accidents at home and on the road; in violent crime, domestic violence, child neglect and abuse.

In the long term heavy consumption of alcohol is linked with both cirrhosis and cancer of the liver. There are also reports of an association between alcohol and cancer of the stomach, colon, rectum, lung and pancreas, although a causal link has been ruled out. There

is a weak causal link with breast cancer. High blood pressure - with associated risk of heart attack or stroke - may result from regular drinking and binge drinking in particular.

In pregnant women, alcohol can induce abortion, impaired foetal growth, facial and other physical defects, and impaired physical and mental development in childhood. It may also affect fertility in both sexes. Heavy drinking also has a major impact on mental health, being strongly related to depression and suicide, while 25 units or more a day long term results in brain damage.

B: Many studies show that light to moderate consumption of alcohol - as little as one unit a day - protects against coronary heart disease, ischaemic stroke, and cholesterol gallstones. The evidence to date suggests that the beneficial effects on the heart relate only to men over 40 and postmenopausal women.

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## news

# Row over £10m to tackle teacher shortages

FRAN ABRAMS  
Education Correspondent

Incentives of £10m are to be offered to attract graduates into teaching amid rising concern that schools could face severe staff shortages in the next five years.

Some universities are cutting back teacher training places despite a recent baby boom which will mean an extra 87,000 pupils start school next year.

They say they cannot find school placements for students who want to teach in shortage subjects such as modern languages and science.

Gillian Shephard, the Secretary of State for Education, wants the colleges to recruit an extra 11,000 trainee teachers in the next five years. But the colleges say they are already struggling to fill their places and applications have dropped by 10 per cent in the past year.

Teachers and training institutions say the job is becoming less attractive rather than more so. More teachers now retire early than at retirement age, with many forced to leave because of ill-health or stress. Last month, Mrs Shephard wrote to the teachers' pay review body warning against a generous salary rise this year.

The Teacher Training Agency, the quango which oversees the process, has written to

universities to invite bids for a share of the £10m, which had previously been used to offer bursaries to recruits taking less popular subjects.

A spokesman said only 6 per cent of bursary students had been influenced to enter teaching by the incentive. "What we really want now is bold and innovative ideas that break new ground and really address the shortage areas," he said.

Mary Russell, secretary of the

Universities' Council for the Training of Teachers, said there was growing concern over possible teacher shortages. A new high-profile incentive scheme was needed so that potential trainees knew of the bonuses available for choosing teaching.

She said new arrangements under which student teachers spend more time in the classroom were causing problems because placements in subjects like science, which require

scarce laboratory space, were hard to find. Universities were cutting their places rather than risk financial penalties which would result from not being full. There were also plans to withhold money from colleges if their trainees failed to get a job, she said, but in many cases this was totally beyond their control.

Some courses were likely to be withdrawn because the obstacles being put in their way by the Government made them un-

viable. "We have tried to bring it home to the Teacher Training Agency that if conditions go on the way they are there could well be a major supply situation before much longer," she said.

The Department for Education said there was no shortage of teachers at present. Primary school quotas were being met and although there were challenging targets for the next five years these were achievable. Losses through early retire-

ment were compensated for by extra recruitment, she said.

David Blunkett, Labour's education spokesman, has written to the training agency to point out that targets for recruitment to primary education and for maths and English teachers have dropped since 1984.

"Taken with the drop in specialist teacher training applications, this represents an extremely serious problem for future years," he said.

**Social phobia: Victims find everyday situations impossible to cope with, but ignorance means treatment is too often denied**

## Deep-rooted fears make prisoners of more than a million

GLENDIA COOPER

More than a million people - three per cent of the adult population - are suffering from social phobia, but only 10 per cent receive treatment, according to the Royal College of Psychiatrists.

Social phobia - the fear of scrutiny by others - generally begins in mid-teenage years when it causes a great deal of damage.

A further seven per cent of people avoid certain social situations and 40 per cent consider themselves shy.

Sufferers display a marked and persistent fear of social or performance situations, which provoke a panic attack, even though they realise the fear is excessive or unreasonable.

Typical fears include being introduced to strangers, eating or drinking in a public place, writing in front of others or being teased.

Those who suffer from social phobia, or social anxiety disorder, as it is also known, have common symptoms. Seventy-nine per cent said they suffered from palpitations, 75 per cent from trembling and 74 per cent sweating. Other symptoms included a sinking stomach, tense muscles, dry mouth and blushing.

In addition, social phobia is

seen as being responsible for the onset of other serious conditions, such as depression, agoraphobia and, most particularly, alcoholism and drug abuse. The logic is that social phobics will drink or take drugs in order to muster Dutch courage to socialise, but by doing so they cause more harm to themselves. Suicide attempts are also significantly higher among social phobics.

The causes of social phobia are not known but may stem back to childhood. Dr Malcolm Lader, professor of clinical psychopharmacology at the Institute of Psychiatry in London, said: "Every child is fearful of strangers but usually develops through this by parental example and biological maturation to become a social animal." However, in some children, this does not happen.

"This can be long-term lifetime behaviour which doesn't tend to get better," he added.

At present there are two main means of treating social phobias - either through psychology or prescribed drugs.

Dr David Clark, of Oxford University, said that if social phobics were given 12 weeks cognitive behaviour therapy, 70 per cent of patients would make a marked improvement, which would be still apparent up to five years later.

The treatment involves the patients facing their fears - such as writing a cheque in public if they fear their hands tremble too much. Conversational skills are also taught.

The other option is drug treatment and so far the most effective treatments have been the use of anti-depressants. Fifty to sixty per cent of patients treated with either monoamine oxidase inhibitors or reversible inhibitors of monoamine oxidase showed significant improvement after 16 weeks.

The Royal College of Psychiatrists is launching a free leaflet, *Help Is At Hand*, which explains treatments and symptoms of social phobia.

Dr Lader called for GPs to be more aware of those suffering from social phobia and for combined drug and psychological treatments to be given.

In the US, where the condition is already treated as an anxiety disorder, studies show that about 1.5 per cent of the US male population and 3 per cent of the US female population will experience symptoms of social phobia during their lives for up to six months. A further study found that just over 11 per cent of US men and 15 per cent of US women will have the condition permanently. Up to 50 per cent of sufferers in the US are single.



Ian Leonard: He had such a severe panic attack on the Underground that he thought it was cardiac arrest

Photograph: John Voos

## 'Going to a restaurant was terrifying'

"I lived a life of pretence, not allowing people to know I was suffering," Ian Leonard said. "I wasn't really alive at all." Mr Leonard, now 36, has suffered from social phobia for 14 years, writes Glendia Cooper.

He started having panic attacks when he was 22, although he had always been shy. "I was one of those people who would sit at the back of the class and

avoid putting my hand up," he said. "If I was asked a question I'd go to pieces."

At work, as an environmental manager for a council, he felt equally insecure. "I felt I had inadequate social skills and very poor conversation. I'd go to work ... with a dry mouth and a racing heart. I'd imagine peo-

ple were looking at me all the time."

By the time he was 24 his phobia was so bad that he went to a GP, who diagnosed him as suffering from anxiety neurosis. He stayed in work but had difficulty taking on responsibility; even normal social occasions became fraught.

"Going to a restaurant with my partner was terrifying ... I

felt everyone was looking at me and when I picked up my knife and fork my hands started trembling. I was afraid that if I discussed it with anyone they'd come with an ambulance and a strait-jacket."

Things came to a head in 1993, when he had such a severe panic attack on the Underground that he thought it was a heart attack. Last year he had

the most miserable Christmas ever after being diagnosed as clinically depressed and leaving work. At his doctor's surgery he saw a leaflet for a self-help group which he could only bring himself to attend at first with a family member but gradually went by himself. A year on he feels a different person. "I don't believe there's such a thing as a cure, only recovery," he said.

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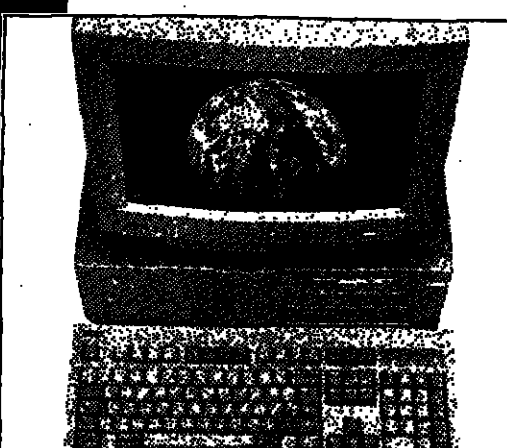
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# Elton John case forces rethink of libel awards

STEPHEN WARD  
Legal Affairs Correspondent

The law of libel was drastically reformed yesterday, when the Court of Appeal made a landmark ruling that juries should be steered towards much lower awards, by pointing out to them how little money accident victims get.

The Master of the Rolls, Sir Thomas Bingham, sitting with Lords Justices, Neill and Hirst, made the dramatic change at the end of a judgment which reduced a £350,000 award to the rock star Elton John to £75,000. The case may go to the House of Lords.

Yesterday's ruling will affect all future libel judgments, including cases in progress; counsel on both sides of a case and the trial judge can put figures to the jury "to reflect the upper and lower bounds of a realistic bracket".

Civil cases other than libel are decided by a judge without a jury, and according to tariffs. Until now, judges have only been able to remind jurors to consider in general terms the monetary value of their awards in terms of a dinner out, a car, a holiday or a three-bedroomed house. Five years ago, the law was changed to allow the Court of Appeal to cut high awards.

Yesterday's ruling was predictably welcomed by newspapers and their lawyers, but criticised by others for removing a check on reckless publication by tabloid newspapers.

Elton John, who once won £1m from the *Sun* in an out-of-court settlement, after it ran an article in which a rent boy made false allegations about his private life, said the judgment was unfair. "I believe that the 12 ordinary people on that jury understand today's economics better than the Court of Appeal," he said.

In their 59-page ruling, the judges said: "It is, in our view, offensive to public opinion, and rightly so, that a defamation plaintiff should recover damages for injury to reputation greater, perhaps by a significant factor, than if that same plaintiff had been rendered a helpless cripple or an insensate vegetable," he said.

Despite earlier cases in which the Court of Appeal had cut excessive awards, juries had continued to hand down damages

sheep loosed on an unfenced common, with no shepherd. Juries should not be reminded of previous libel awards as a benchmark, because all cases were different.

They said: "It serves no public purpose to encourage plaintiffs to regard a successful libel action, risky though the process undoubtedly is, as a road to untaxed riches. Nor is it healthy if any legal process fails to command the respect of lawyer and layman alike, as is regrettably true of the assessment of damages by libel juries."

The judges said that mentioning figures, far from developing into an "auction", would "induce a mood of realism on both sides". It would "buttress the constitutional role of the libel jury by rendering their proceedings more rational and so more acceptable to public opinion".

The award to Elton John, in November 1993, included £275,000 "exemplary" damages to punish the *Sunday Mirror* for publishing a totally untrue story that the singer-songwriter was hooked on a bizarre "diet of death" which was a form of the slimmers' disease bulimia.

Jurors accepted his claim that the story was printed recklessly, without regard to the truth, and with the objective of boosting sales of the newspaper for profit.

But payment of the rarely-awarded punitive damages was suspended pending an appeal by Mirror Group Newspapers. The judges held that the total award was "manifestly excessive" and they reduced the exemplary damages to £50,000. They also reduced the £75,000 compensatory award to £25,000.

Although the article was false, offensive and distressing, it did not attack the star's personal integrity or damage his reputation as an artist, they ruled.



Elton John: Ruling cuts his damages dramatically

which "bear no relation to the ordinary values of life".

The three judges added that there had been "a series of jury awards in sums wildly disproportionate to any damage conceivably suffered by the plaintiff has given rise to serious and justified criticism of the procedures leading to such awards".

They added that this could not be considered the fault of juries. Without the clear guidelines which will now be issued, "They were in the position of



Children of Courage: Four-year-old Suzanne Shepherd (left), from Ayrshire, who has had two kidney transplants, and Sam Wheeler, five, from Reading, who suffers from the rare Morquio disease, after receiving their awards from the Duchess of Kent, at Westminster Abbey, yesterday. Photograph: Edward Webb

## Tory MP 'paid over odds' for flat

REBECCA FOWLER

David Ashby, the Tory MP paid over the odds for a flat in south-west London, after he separated from his wife, because he was so keen to live next door to a male friend, according to the woman who sold it to him.

Patricia Bridge, the owner of the Putney flat, was asked by Dr Ciaran Kilduff, who had bought the neighbouring flat, whether she would be interested in selling the second property, which was above his, to Mr Ashby.

After Ms Bridge showed Mr Ashby around, they struck a deal that he would pay £80,000 for the one-bedroom flat, almost the same price Dr Kilduff had paid a year before, despite the fact Ms Bridge believed the market had declined.

"I had asked more than the going rate, on the basis that two people who were friends would very much want to live next door," Ms Bridge said.

When an article appeared in the press alleging Mr Ashby had left his wife to live close to another man, Ms Bridge believed she had been right. "My thought was that my gamble had been correct."

Silvana Ashby, the Italian wife of Mr Ashby, also continued to give evidence on the 14th day of her husband's libel case against the *Sunday Times* and Andrew Neil, the former editor. Mr Ashby denies he is a homosexual.

Mr Ashby and Alex, 27, their daughter, sat together. Richard Harley QC, for the *Sunday Times*, requested that Alex should leave the court because her presence upset Mrs Ashby.

Mrs Ashby, who earlier gave evidence against her mother for Mr Ashby, did not leave. Instead she heard her mother say: "This

story had a very deep psychological affect on all of us, and my daughter can't come to terms with it ... I wish she wasn't here now. It only upsets her."

In a colourful exchange with Geoffrey Shaw QC, for Mr Ashby, Mrs Ashby accused him of trying to stereotype her as an "hysterical Italian" with a fiery temper. "Because I'm Italian I'm supposed to go mad every so often. Isn't that what's being said in this court?" she said.

Mrs Ashby claims her husband confessed to being homosexual in October 1993.

When Mr Ashby moved to the flat above Dr Kilduff, Mrs Ashby accused them of having an affair. "I knew my husband was taking him to the theatre and cinema, because he told me," Mrs Ashby said.

In a letter to her husband read out in court, Mrs Ashby accused him of taking all their belongings away from the family home, including the cutlery, and was furious Dr Kilduff could be eating with it. "I will disinfect every bit of cutlery that has touched that man's mouth," Mrs Ashby wrote.

The case continues.

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## news

# Fall in capital's growth reduces regional divide

NICHOLAS TIMMINS  
Public Policy Editor

The North-South divide in the United Kingdom is narrowing and is predicted to close further by 2000, according to a report yesterday from the market analysts Mintel. But by then, London will still have an income per head 20 per cent above the national average, with the South-east still enjoying a 10 per cent advantage.

Throughout the 1980s as the recession in the early part of the decade hit manufacturing and the North, London's wealth advantage over the rest of the country grew. But since 1990, London and the South-east

have taken the brunt of an economic downturn which hit the financial and service sector hardest, while manufacturing has benefited from export growth. As a result, while they remain the most prosperous parts of the country, the two regions saw growth rates of only 14.7 and 16.4 per cent in their share of gross domestic product per capita while every other part of the United Kingdom did better.

Northern Ireland saw 25 per cent growth, Scotland 22.8 per cent, Yorkshire and the North-east 20.1 per cent and the North-west 19 per cent.

Since 1986, Scotland has done particularly well, its un-

employment levels now close to the national average as its role as a finance and electronics centre has expanded on top of its oil and gas revenues.

While Scotland has much lower rates of home ownership, it is the only region to have seen house prices rise rather than fall during the recession - up 21 per cent against a 24 per cent fall in London.

Angela Hughes, Mintel's consumer research manager, said she expected the North-South divide to continue to close economically, "although I don't believe it will ever close altogether". Mintel's projections are that up to 2000, consumer expenditure will grow by 11.5 per cent from its 1994 figure on average, but London and the South-east will see slower growth of 9.2 and 10.5 per cent.

Despite the closing of the gap, however, marked regional disparities in lifestyle remain. The image of the "canny Scot" holds up - Scots saving 15 per cent of their disposable income, against a United Kingdom average of 10 per cent. London and the South-east save far less - 6 to 7 per cent - and are much more dependent on credit and credit cards.

In the North-west, *Coronation Street* lives on with the region spending more in pubs which are rated highly as key centres of social activity.

All regions rated a safe neighbourhood as their primary concern, but financial worries, long working hours and lack of free time topped the factors listed by those living in London and the South-east as the issues limiting their enjoyment of life.

The North-west emerges as the home of bargain hunters and the biggest users of market stalls, but it is not the region that enjoys shopping most. That accolade goes to the South-west and Wales, followed by Scotland, with the Scots rating "lots of money" as the a key factor needed for a good quality of life.

*Regional Lifestyles*, Mintel, 18-19 Long Acre, London, EC1 9HE: £895.

## How the regions compare

	GDP per head	Regional Index	Weekly expenditure*	% of net av.
Greater London	12,111	123.3	273.44	114.4
South-east	10,688	108.9	269.56	112.8
National average	9,822	100.0	237.41	99.3
Scotland	8,593	87.7	230.15	96.8
Anglia/Midlands	8,329	85.0	227.65	95.2
South-west/Wales	8,085	81.5	222.22	93.0
North-west	8,068	80.3	218.57	91.4
Yorkshire/North-east	8,837	90.0	239.06	100.0
Northern Ireland	7,966	81.1		

## Attitudes towards quality of life

	Influencing factors	Limiting factors
Greater London	Out of home leisure activities, credit card ownership	Financial worries, lack of facilities, work
South-east	Most items needed for good quality of life	Lack of free time, transport
Anglia/Midlands	Broadly the same factors as adults nationally	Average attitudes and in some cases fewer worries than most adults
S West/Wales	Wants more active social life but not possessions or any specific activity/ownership	Financial worries, lack of leisure facilities
North-west	Financial security, holidays and drink-related leisure activities	Too many debts, lack of transport facilities
Yorkshire/NE	Wide range of items, both in home and out of home activities	Financial worries, lack of transport facilities
Scotland	Money, ownership of basic durables (TV, washing machine), safe neighbourhood, holidays	Few. Only a lack of facilities is a major limiting factor

Source: MINTEL

## Unions flex their muscles in pay disputes



Brothers in arms: Dockers picketing in Liverpool. They were sacked for refusing to cross a picket line set up by colleagues. Photograph: Howard Barlow

BARRIE CLEMENT  
Labour Editor

Leaders of Ford's 22,000 manual workers yesterday ordered a ballot on strikes in the new year amid signs of increasing industrial unrest elsewhere.

As Ford union leaders threatened action, tugboatmen at Liverpool docks staged an unlawful 24-hour stoppage in support of 320 dockers who have been locked out for refusing to cross picket lines.

At Vauxhall, representatives

of 9,000 blue-collar workers warned that industrial action would be stepped up unless talks with management tomorrow produced an improved pay offer.

The overtime ban and two-hour weekly stoppage at Vauxhall comes amid widespread disruption of postal services including a 24-hour strike over working hours which affected 21 centres in central London on Monday.

While the sporadic industrial action does not represent a widespread resurgence of mil-

lancy, it is nevertheless fresh evidence of discontent among workers in various industries.

Representatives of seven unions at Ford yesterday called for a vote on action, having rejected a two-year package which gives a 9.25 per cent pay increase, but which fails to offer a reduction in the working week.

Tony Woodley, chief negotiator for the Transport and General Workers' Union in the motor industry, said the ballot was the logical next step in the campaign to elicit a better offer.

Workers wanted to share in the increasing profitability yielded by improvements in productivity, and they were furious over the "industrial apartheid" which meant they worked longer hours than colleagues in Europe.

He said unions were optimistic that a settlement could be reached without industrial action, but a spokesman for the company insisted that the present offer was "final".

A spokesman for Vauxhall said management were "hopeful" that they could bring an end

to the dispute in negotiations tomorrow. The two-year offer gives a 3.5 per cent rise in the first year and a rise matching the inflation rate in the second.

The Liverpool tugboatmen were expected to return to work last night after their 24-hour stoppage. Further sympathy action will be considered in a meeting scheduled for tomorrow. The 320 port workers were dismissed after taking action to back 80 other dockers involved in a dispute with their stevedoring company.

## Abortion surgeon feared patient's suicide

A hospital consultant accused of performing an illegal abortion said yesterday that he did not "seriously consider" what view his patient had on abortion. Gynaecologist and obstetrician Reginald Dixon said he knew from Barbara Whiten's medical notes that she gave her religion as Church of England. But he told a jury at Nottingham Crown Court, where he denies unlawfully procuring a miscarriage, there was a "seriously significant risk" that allowing Mrs Whiten's pregnancy to continue might lead her to commit suicide in the future.

"An unplanned and unwanted pregnancy is a greater risk than the termination of an unwanted one," Mr Dixon said.

He admitted he did not mention this concern in his notes on the operation. "The notes were written at the end of a busy morning and were written in a hurry," he said.

Mr Dixon was supposed to perform a hysterectomy on Mrs Whiten, 38, at Kings Mill hospital, Sutton-in-Ashfield, Nottinghamshire, in March 1993.

He discovered during the operation that she was pregnant but continued, which meant aborting the 11-week-old foetus.

Mrs Whiten did not discover she had been pregnant until after the operation. She had desperately wanted a family but had been told her illness made her infertile.

Mr Dixon, 59, said he be-

lieved his patient did not have endometriosis, a painful womb condition, as she had been told. He thought she had some other unspecified internal pain.

"If I had gone into the details and spent a great deal of time I am sure she would have said to me 'I don't care what I have got, I want relief from the pain'," he said.

## Win the best seats in the house with the INDEPENDENT

Today, two boxes for Return to the Forbidden Planet

If you fancy a trip to the theatre, I've would like to offer you the best seats in the house. All this week we are giving you the chance to win top class tickets to shows ranging from opera to ballet to drama.

Today you could win two adjoining boxes for the sci-fi rock 'n' roll spectacular, *Return To The Forbidden Planet*. Bob Carlton's musical, which won the 1990 Olivier Award for Best Musical, is a mind-blowing reworking of *The Tempest* laced with rock classics such as *Great Balls Of Fire* and *Good Vibrations*.

The music is performed live by the multi-talented cast and Gerry Anderson, creator of *Thunderbirds*, designed the dazzling video special effects.

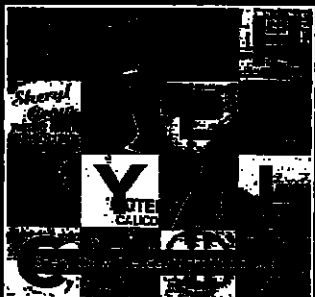
The prizewinner's performance takes place at the Shaftesbury Theatre on Friday 22 December, 1995, and to be in with a chance of winning two boxes for a total of six people, simply answer the following question.

**Question:**  
Who originally recorded Good Vibrations?

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Your call will last no longer than a minute. Calls cost 39p per minute cheap rate and 49p per minute at all other times. Normal Newspaper Publishing rules apply, the Editor's decision is final. There is no cash alternative. Sorry, this competition is not open to readers in the Republic of Ireland. For further details of this show which runs until 13 January, please call the booking office on 0171 379 5399.

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## Solicitors in move to ban cut-price house sales

STEPHEN WARD  
Legal Affairs Correspondent

The Law Society faces one of the stormiest meetings in its 200-year history tomorrow when thousands of solicitors try to force the profession to ban cut-price conveyancing.

Only the 65 members of the Society's council will be allowed to vote on a proposal to introduce minimum fees which would double the cost of buying or selling a house for most people. But scores of solicitors are likely to converge on the headquarters in London to lobby before the meeting.

John Edge, a Bournemouth solicitor, has led a campaign in recent months to force action over conveyancing fees as low as £150. He claims to have the support of 11,000 solicitors, almost one-fifth of the profession.

For years the Law Society has argued that it is not allowed under the law to introduce a restrictive practice, but in the first contested elections for 40 years, the anti-establishment candidates for president and deputy, Martin Mears and Robert Sayers, pledged to find a way.

They believe they can do it by refusing the Law Society's indemnity insurance to solicitors who refuse to charge the minimum fees. Cheap solicitors would then have to insure themselves on the open market, a far more costly process, and not a genuine option. A consultation document prepared by Mr Sayers, the vice-president, for this week's meeting argues that firms which offer cut-price conveyancing are cutting corners and making a disproportionate demands on the insurance scheme, the Solicitors Indemnity Fund. A minimum fee of £250, plus half a per cent of the

house price - not including VAT, land registration and searches - is suggested.

Consumer groups argue that the way to deal with shoddy work is to police the profession better, and not to stop efficient firms from undercutting others.

The proposed guideline would take the cost of conveying a £75,000 house to £625. The Law Society has found that three out of four houses are currently conveyed for less than £300.

Mr Mears will attempt to push the controversial proposals through the council and, if successful, ask for comments from the profession and rulings on the legality of the move.

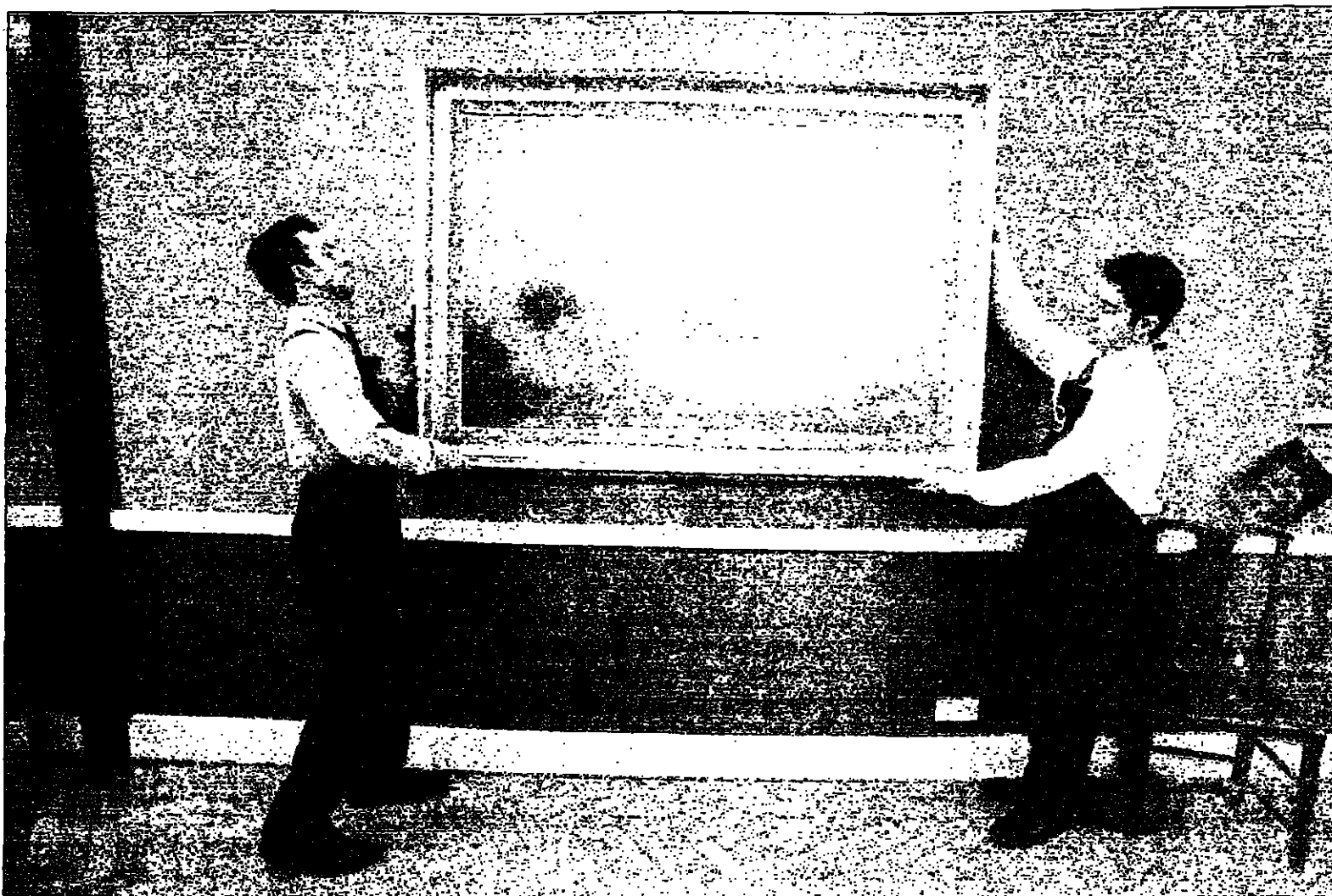
A fixed scale of fees, enforceable by law, was abolished by the Government in 1972, but fees remained high until the mid-1980s when genuine competition was introduced by the abolition of the solicitors' monopoly on conveyancing and an Act allowing solicitors to advertise.

Under the Solicitors Act, for a price-fixing agreement to be allowed it needs to be accepted by the Master of the Rolls, who would have to be persuaded that the move was in the public interest.

Aware that the 65 council members are likely to be cautious about the change, Mr Mears plans to begin the meeting with an attempt to change the voting system so that a record is kept of how each person votes.

Mr Mears, elected president this year in the first contest for the post in 40 years, conceded the move would not be popular but argues it is not in the consumer's interest to have professionals on the cheap - he maintains that the public needs to have professions it can trust.

## Turner unearthed by detective work fetches £100,500



JOHN MCKIE

A previously unknown painting by Turner, bought for a few dollars at a Canadian country sale, fetched £100,500 when sold to an anonymous collector at an auction at Phillips in London yesterday.

The painting was only confirmed Turner's work after a previous owner decided to have conservation work carried out. After restorers failed to match the image, *Landscape with a Rainbow*, to other Turners, West Yorkshire police officers were called in.

John Manners, the head of the force's fingerprint bureau, matched a fingerprint print on the painting with one from Turner's famous work, *Chichester Canal*, at London's Tate Gallery.

John Dabney, Phillips' British painting specialist, said: "It is probably the first time fingerprinting has figured in such an obvious way in confirming the identity of the artist."

At Phillips yesterday, the original puppet stars of the *Thunderbirds* television series were also yesterday sold to anonymous buyers. A British collector paid £23,000 for the 9th model of Lady Penelope's pink Rolls-Royce. The same buyer also bought Parker, Lady Penelope's faithful Cockney chauffeur, for £19,500.

The puppet of Lady Penelope was sold to an American buyer for £13,800. All were original models brought to auction by the series crew.

True image: Phillips officials take down *Landscape with a Rainbow*, which was identified as a Turner by a police fingerprinting technique Photograph: John Voos

## Britain on 'tortuous' road to save flora and fauna

NICHOLAS SCHOON  
Environment Correspondent

An environmental steering group has set the Government a tough challenge to rescue 116 rapidly declining or very rare wildlife species and 14 threatened habitats, at a cost approaching £40m a year.

The report, published today, contains a lengthy set of costed rescue plans, drawn up by civil servants from the Department of the Environment, together with university experts, government agencies, and wildlife conservation bodies

such as the Royal Society for the Protection of Birds and the World Wide Fund for Nature (WWF).

The group claims that the document makes Britain the first country in the world to prepare such detailed plans for preserving its biodiversity in the variety of flora and fauna. The Government has promised to respond to the document in the spring, declaring how many of the plans it is willing to fund.

By 2010, about £37m a year will have to be spent if the various habitats, which include native pine woodlands and saline



Listed species: The great crested newt and the song thrush



lagoons, are to be preserved, the report says.

It also points out that Britain has already lost some 100 species this century, including more than 2 per cent of its fish

and mammals, and 5 per cent of its butterflies.

Nine mammals - including the otter, the dormouse, and nine birds - are listed as being in need of support, along with

one reptile (the sand lizard), two amphibians (the natterjack toad and great crested newt) and four freshwater fish. Insects and other invertebrates, such as the medicinal leech, are also on the list, as are flowering and other types of plants.

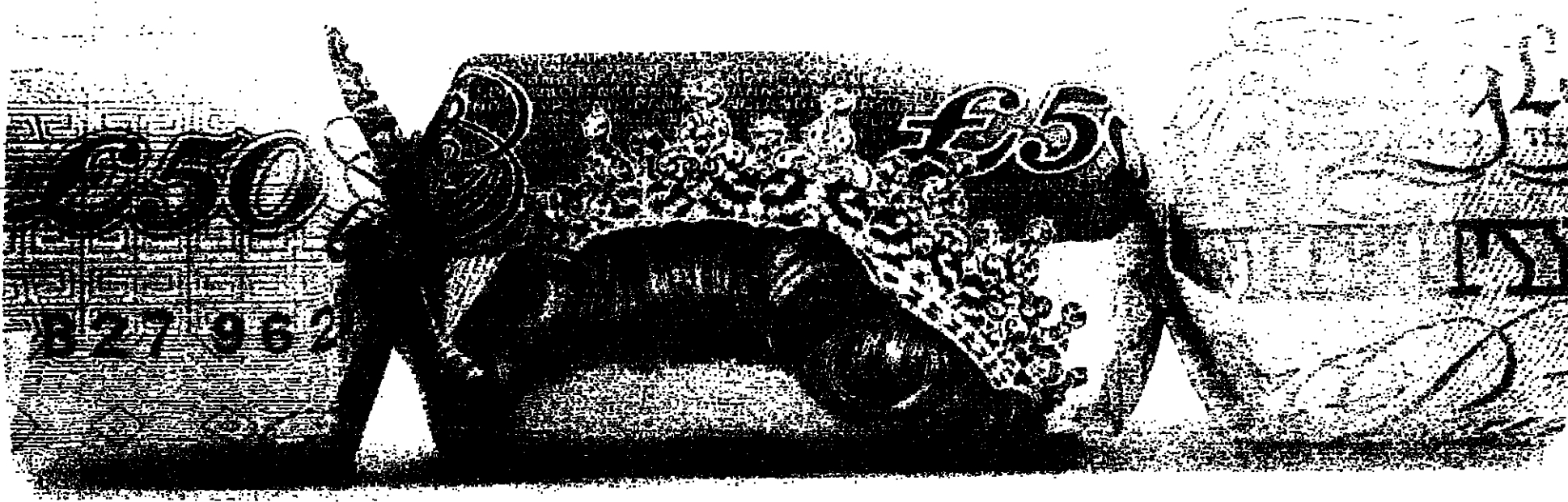
The varied species were chosen for one of four reasons: they are very rare, their numbers have fallen rapidly in recent times, they are unique to these islands, or Britain harbours a large proportion of the total global population.

One species of bird, the song thrush, numbers more than 1

million, but it was placed on the list because of its rapid decline over the past 30 years. It is thought to be a victim of modern farming methods, and is still hunted in France, where some British birds migrate in winter. The action plan calls for a halt to the bird's decline by 2000 by subsidising "green" farming methods, and pressing for a hunting ban in France.

Robin Pellow, WWF's UK director, said that implementing the plans "will be a long and tortuous road which will require substantial financial commitment from government".

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French pilots drama: General Mladic, amid rumours of a trade-off with Paris, toasts the recovery of the men he held captive

# 'My first thought is for my family'

EMMA DALY  
Sarajevo

The French pilots released by rebel Serbs after more than 100 days in captivity walked tentatively to freedom at a motel in a dreary border town yesterday. The senior French general sent to collect them drank plum brandy with the captor - the man who had for weeks refused to acknowledge their existence, the indicted war criminal, General Ratko Mladic.

Limping slightly and squinting against the barrage of television lights, Captain Frederic Chiffot and Lieutenant Jose Souvignat told reporters they had been treated "quite well".

Capt Chiffot looked the worse for wear as the pair emerged from a jeep in the car park of a motel in Zvornik, on the border with Serbia, and Lieutenant Souvignat did most of the talking.

"I had some pain in my leg but they had very good doctors," he said. Both men sustained leg injuries while ejecting from their Mirage 2000, shot down over the Serb mountain headquarters, Pale, during Nato bombing raids on 30 August.

"My first thought is for my family," the lieutenant said. "I would like to send them a message, but not with so many people around." General Jean-Philippe Douin, the French army chief of staff, was on hand to greet the pair, alongside General Mladic, the Bosnian Serb commander who held them hostage for so long.

The party gathered to drink plum brandy with General Mladic, who looked jovial.

In a breath-taking, but wholly characteristic act of cheek, General Mladic wished the men well. "I wish you a fast

recovery," he said, "and I wish you to be pilots again, but of planes for peace." As he offered the men apples from a bowl of fruit, the man accused by the UN War Crimes Tribunal of direct responsibility for the murder of thousands of Muslim civilians, added: "This should be a lesson for the future that all problems should be solved peacefully."

The surreal tone was echoed by Colonel Vladimir Kuljis, a Russian sent to aid the pilots' release, who praised General Mladic's "humanity". He said: "I hope the whole world will appreciate this act by the Serbs. Liberation of the French pilots was an act of humanity."

"I hope this will show what kind of people the Serbs are and that this will lead to a better situation."

The pilots, last seen as their parachutes drifted to earth as the jet plunged to the ground in flames, said little about their ordeal. Lieutenant Souvignat said the two were kept apart for six weeks in adjoining rooms, but were later allowed exercise.

"Our guards allowed us to speak to each other now and then," he added. They spoke to their captors in English, then learned a few words of Serbo-Croat. "Not a lot, but enough", Lieutenant Souvignat said. "Then we were able to ask for bread and water and our elementary needs."

There had been no news of the pilots since their capture, prompting many Nato officials to give up hope that they would re-surface alive.

In September *Paris-Match* published photos of the two looking bleary-eyed, held up by Bosnian Serb soldiers and with their features distorted to avoid identification.

Fears for their safety grew in October, when Radovan Karadzic, the Bosnian Serb leader, announced they had been kidnapped by an unknown "Muslim group".

This story was supported by Russian sources who claimed their captors were not under the full control of the leadership. However, given the iron grip of the police in the "Srpska Republic", such a scenario was almost inconceivable.

In mid-November, the International Committee of the Red Cross transmitted a secret message from the Serbian government to officials in Paris, but a spokesman refused to divulge its contents.

French reaction to the loss of the pilots was muted for much of the autumn, amounting to occasional demands for information on their fate. It was only after the Dayton peace agreement that Paris began to threaten unspecified action if the men were not released. Given France's penchant for doing deals in exchange for hostages, there is much speculation about a possible trade-off.

Lieutenant General Bernard Janvier, the French commander of UN forces in the former Yugoslavia, visited Sarajevo on Monday. But he did not visit UN headquarters, which suggests he was not on UN business. He left for Paris yesterday.

Suggestions of trade-offs include a French attempt to improve guarantees for the Serbs in areas of Sarajevo due to revert to government rule, a demand by General Mladic that the War Crimes Tribunal drop charges against him and a request that Mr Karadzic, also indicted by the tribunal, be invited to Paris for the signing of the peace treaty tomorrow.



Dress rehearsal: British Warrior armoured vehicles at target practice near Gornji Vakuf, central Bosnia Photograph: Chris Helgren/Reuters

## Sarajevo Serbs vent rage with futile vote

The leadership will claim overwhelming victory, but everyone knows it is a lost cause. Thousands of Serbs living in Sarajevo districts due to revert to government control next year under the Dayton peace plan turned out yesterday to issue a resounding "No". The question was: "Are you in favour of Serbian Sarajevo becoming a part of the federation of Bosnia-Herzegovina (Muslim-Croat entity) and coming under federation control?"

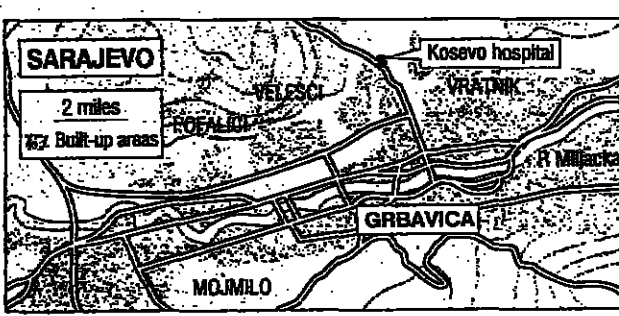
"I'm very sure every single person registered here will vote in this referendum and I'm convinced all will vote against the Dayton plan," said Milenko Rupar.

As president of the electoral commission for polling station No 1, a small room in the municipal building draped in Serbian flags and adorned with a rug bearing the Serbian double-headed eagle, he knows the electorate is well-versed in returning the right result. Referendums on peace plans have become an annual event in the Srpska Republic, and the correct answer is always "No".

Would the result force the world to change the Dayton plan? He avoided the question, but said Serbs should keep control of their part of the city because the Bosnian President "wants an ethnically clean Islamic state" - a rich assertion from an official of a party that specified, from the outset, its desire to kill or expel all non-Serbs.

"If I have to go, I will burn my house and I think every Serb will do the same," Mr Rupar said. Most of his constituents agreed. "I will burn my house. I have lived here for 18 years and everything I have is here," said Sinisa Srdic.

Referendum will not alter peace plan, writes Emma Daly in Grbavica



an 18-year-old student. How did he vote? "For us to stay here", he said. Under government control? "No, not under Muslim authority but under Serb authority."

That option is not on offer. But the answer highlights the confusion amongst many in Grbavica, the only significant Serb area to suffer anything like the misery inflicted on the rest of Sarajevo. "It's a funny atmosphere here - we are really disappointed and confused," said one woman who, like many, did not want her name used.

"We know what will happen but we just can't believe it." She believes perhaps a third of the population will stay - those braver than herself, as she put it - while the rest will go.

So far there are few signs of people leaving, although the authorities are dismantling and removing military and industrial equipment. The young woman and her family plan to wait until the last minute, horrified as they are by the idea of moving to Pale, the mountain village "capital" of the Serb republic.

Asked where they will go,

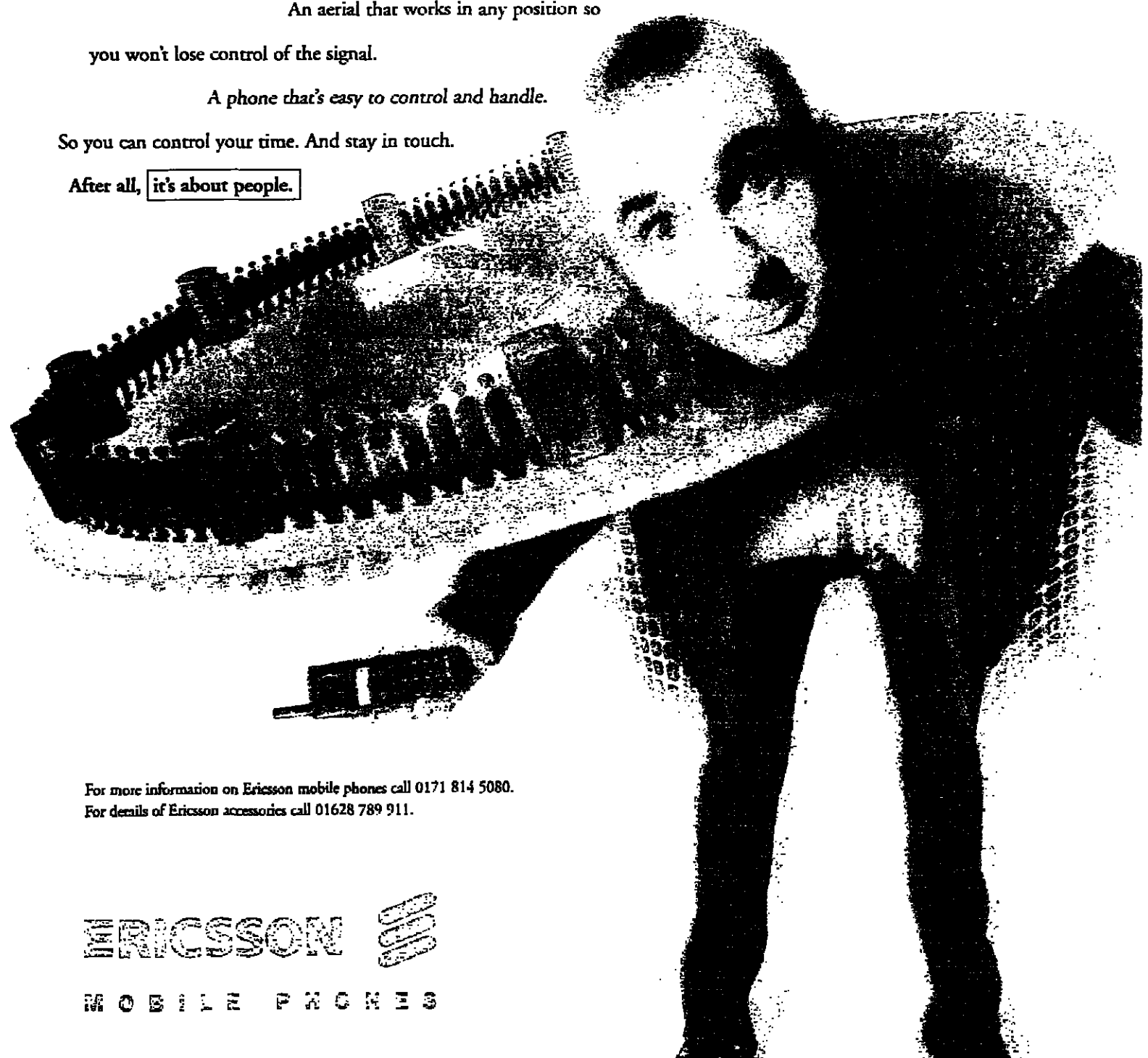
Serbs in Grbavica respond with blank looks, and vague hopes of a visa to another world. Few consider remaining under government control, infected as they are by Serb propaganda and unnerved by the Bosnian leadership's refusal to grant amnesties to soldiers, who include virtually every able-bodied man aged 18 to 60.

Away from the crowd the occasional dissenting voice breaks through. A Serb woman in her early thirties stood in the snow on the Serb side of the Bridge of Brotherhood and Unity, where razor wire, barricades and provocative signs ("Welcome to Srpska Republic") mark the front line. She was standing beside three elderly Muslim women, stranded on the Serb side, awaiting visits from relatives in Sarajevo proper.

They had all voted "Yes", they said - until a Serb policeman stroled up. The Serb woman waited until he had passed. "Don't tell anybody, but I think it would be better to live together," she said. "I want the city to be open."

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## international

France in revolt: Demonstrators march in record numbers, dashing hopes that 'welfare' strikes could be losing momentum

# Juppé under threat from renewed protest

MARY DEJEVSKY  
Paris

Paris and other French cities yesterday witnessed some of their biggest demonstrations in 50 years when hundreds of thousands of people took to the streets to protest against the government's proposed welfare reforms.

The demonstrations, dashing hopes that the welfare protests were running out of steam, were called by two of the major public-sector unions, the Force Ouvrière (FO) and the CGT. They brought together employees from every part of France's diverse public sector, from railwaymen and the staff of public utilities, to hospital workers, teachers, and post and telecommunications staff.

The size of the demonstrations was interpreted by some as a last glorious gesture by the unions, before they agree to settle on terms similar to those proposed in recent days by the Prime Minister, Alain Juppé – a view ruled out absolutely by the leader of the CGT, Louis Vianet. The scale of the turn-outs was seen by other commentators as a real threat both to the welfare reforms and to Mr Juppé's survival.

In Marseille, onlookers and police alike professed to be astonished by the 100,000 or more who turned out in the old port, forming the biggest post-war demonstration in the city.

In the naval port of Toulon, the arsenal was blockaded for several hours. All road entrances to the cathedral city of Chartres were manned by pickets handing out campaign leaflets, and delaying traffic into the city.

In Paris, where the numbers were as great, if not greater than in Marseille, tens of thousands of demonstrators were still waiting to leave the starting point of the procession, at



Louis Vianet: CGT leader

Place de la République, where the leaders had already arrived at Nation, two miles away.

In scenes replete with revolutionary images, the dense column of marchers, shrouded in smoke from hundreds of bright pink flares, wheeled slowly around the Bastille monument.

Waving brightly coloured banners and balloons, they chanted anti-reform slogans, blew horns, beat drums and

sang folk songs with anti-government lyrics, or snatches of the *Internationale*.

People living in a flat overlooking the march route offered a note of encouragement to those waiting below with a notice displayed in their windows announcing the huge turnouts elsewhere: "Marseille: 200,000; Rouen and Toulouse: 80,000; Bordeaux [where Mr Juppé is mayor]: 40,000. Paris – how many?"

The protests, whose size appeared to be totally unanticipated by the police, came after a weekend in which Mr Juppé has made concession after concession in meeting objections raised by individual sectors. But he has refused absolutely to dilute the core of his welfare reforms which are necessary, among other things, to qualify France for membership of the European single currency from 1999.

The changes are designed to streamline the welfare system, reduce waste and cut a deficit which is currently running at more than Fr60bn a year. They are part of an overall effort by President Chirac and Mr Juppé to cut France's budget deficit to meet the Maastricht conditions for European Monetary Union, but also to modernise France's public sector and bring it into line with other European legislation.

While some trade union officials have said that they believe

Mr Juppé's concessions are significant, rank and file opinion in the public sector seems singularly unmoved – an aspect which the government is likely to find worrying in a protest where the running has been made more by ordinary union members than by their leaders.

In strikes that have remained utterly solid, France has been without any national rail service now for almost three weeks, and Paris and several other major cities have been without all forms of public transport for almost as long. In many places, post, telecommunications, schools and government offices have also been crippled.

So far, Mr Juppé has tried to deal separately with the most emotive issues. He appointed a mediator to discuss a contentious restructuring plan for the railways, suspended a commission to consider special public-sector pension arrangements, and agreed to meet union representatives.

On Monday he agreed to the "social summit" demanded by the unions – but said that it would discuss employment policy generally, as well as public-service pay and conditions. This immediately provoked a bowl of rage from employers' representatives, who warned Mr Juppé that this was a sure way of extending the dispute into the private sector, something that has, so far, been avoided.



Taking it to the top: A union member enlists a monument to make his point in Marseille

Photograph: Reuter

## Spain's Euro-cream turns sour

The French welfare revolt has set Spain's authorities a-jitter. The Economy Minister, Pedro Solbes, has been trying to reassure everyone that nothing similar could occur this side of the Pyrenees as long as Spain holds to its economic policies. He argues that although the demands of Brussels must be met for Spain to be in the running for a single currency by 1999, sacrifices can be shared so that no one screams with pain.

He announced this week spending cuts of 900bn pesetas (£4.8bn) over the next year but gave no indication where they might fall. Obvious targets are,

In the second in a series on the problems of moving towards monetary union, Elizabeth Nash reports on the potential pain for Madrid

as in France, pensions, social services and public sector employment. Mr Solbes pledged to make no cuts in these areas. Spain differs from France in two important respects. First, the Spanish Socialist government has been achieving budget cuts for years by strenuous arm-twisting, accompanied by threats of worse treatment if deals are not reached.

Second, Spain's welfare state, though an advance on what the

government inherited when it came to power in 1982, falls far short of that enjoyed by the French. The private sector takes much of the burden of health care and pensions which in France or Britain is borne by the state. The idea of a "cradle to grave" state provision is incomprehensible to most Spaniards, who look to the family to fulfil that responsibility. Mr Solbes insists that Spain

will meet the EU criteria for a single currency by 1999 and that trends are moving in the right direction. But Spain fails all the Maastricht criteria and Brussels fears it may not catch up in time.

Failure to meet the 1999 deadline would be a crushing blow for a nation that views EU membership as the seal upon its existence as a modern democracy. But for millions of Spaniards, especially the unemployed, the European dream has already turned sour; further welfare cuts could tip the present mood of cynicism and apathy into one of revolt.

## Violence stalks the candidates in Russian poll

PHIL REEVES  
Moscow

In any advanced and stable democracy, Grigory Yevseyev's story would probably have been dismissed as a cheap attempt to gain publicity before Sunday's elections. But in Russia, where bloodshed and politics go hand in hand, it is depressingly plausible.

Mr Yevseyev, who is running for a seat in Moscow, claims to have been approached by a man offering to kill or maim his political opponents. The man had a price list: a car "crash" would set a client back \$7,000 (£4,500); bomb attacks could be arranged for only \$15,000.

Given recent events, it is possible the would-be assassin, or others of his ilk, has picked up some business. For the elections to the State Duma, or lower house, are spawning a list of incidents – shootings, bombings, mysterious accidents – that would more commonly be associated with a remote, tinpot dictatorship.

At the weekend, Vitaly Savitsky, who led the Christians of Russia faction, became the third candidate to die on the campaign trail in less than three weeks. His chauffeur-driven car collided with a Mercedes in St Petersburg when he was returning from a radio interview. Police said it was an accident, typical of the icy winter conditions in the northern city; his colleagues said it was murder.

On Monday, thousands of people turned out for a funeral in the Ural mountains for Mikhail Lezhnev, who was mysteriously shot to death outside

his home in Chelyabinsk, where he was a candidate for the government-backed Our Home Is Russia party. Nor has there yet been any conclusive explanation why someone pumped a bullet into the head of Sergei Markidonov, 34, a deputy campaigning for re-election while he was in a hotel room in the Siberian city of Petrow-Zabitskiy on 26 November.

There have been other puzzling incidents. A liberal parliamentarian, Anatoly Shabad, of the Russia's Choice faction, is in hospital for injuries after being run over by a car in Moscow while he was crossing the street. A week ago a powerful explosion wrecked the office of an extreme right-wing deputy inside the Russian parliament building, without causing serious injuries. Police in the Caucasus are investigating an incident in which an independent candidate's car ended up being blasted by bullets.

It will be a while before Russians know which of these incidents were the result of bad luck and which were caused by mafia feuding, political skulduggery, or other factors. But they are enough to spur the Russian Interior Ministry into action: it has pledged to flood the streets with police to prevent further bloodshed before the elections.

A few dozen oil workers and their families in two villages in Russia's far north began a hunger strike yesterday to demand decent living conditions and pay. In the Moscow region, two dozen coal miners continued an underground hunger strike for a fifth day, with similar demands.

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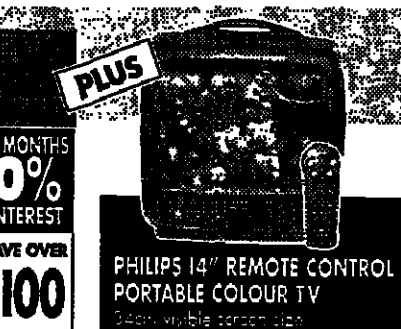
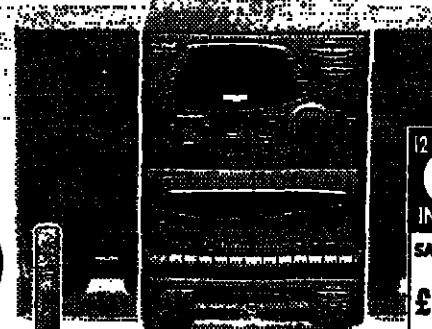
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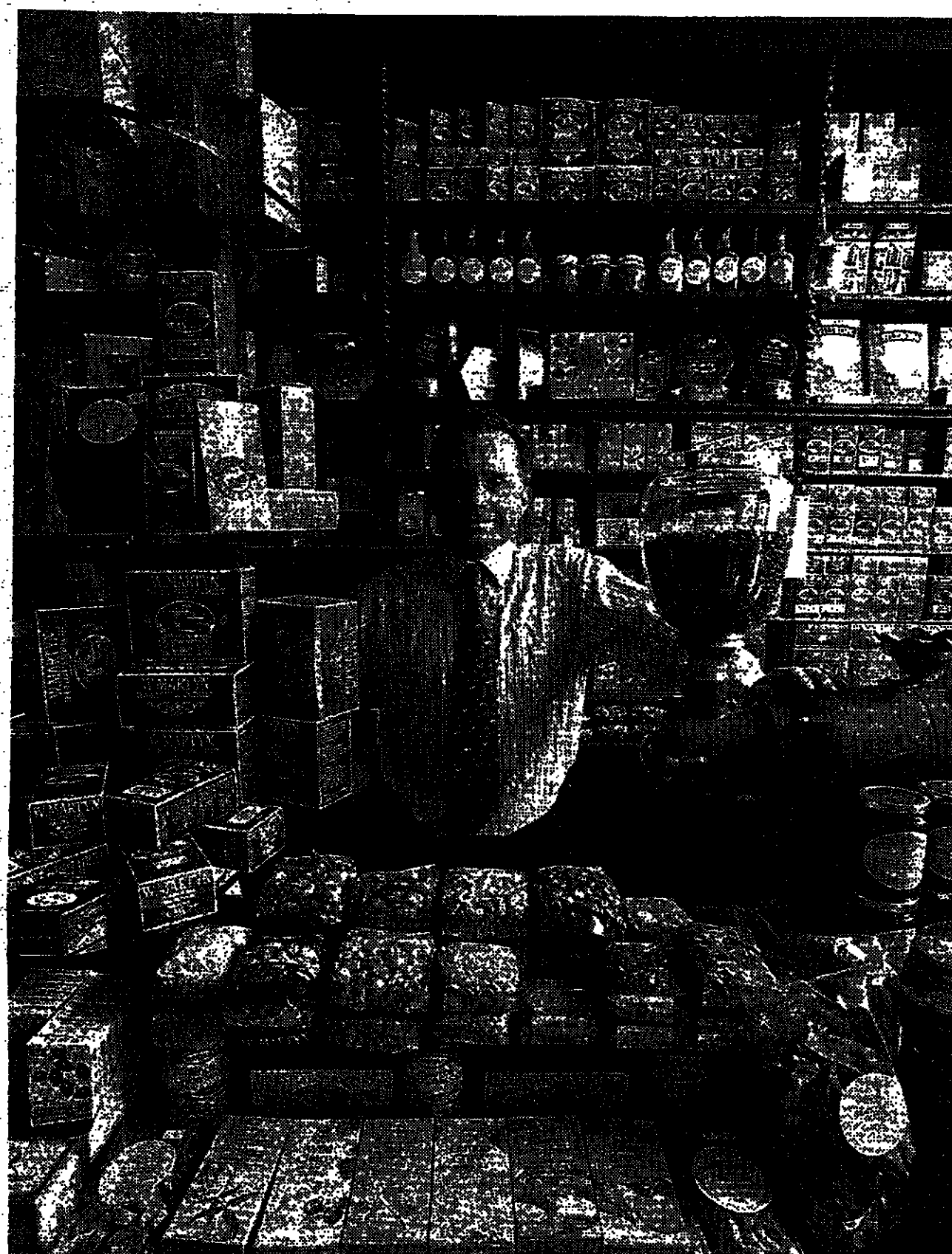
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# Should a bank charge a small business?



## What you said:

"Banks should be helping us, not trying to destroy us." *H. Lilley of Lincoln*  
 "As a small business, we find the charges banks impose quite difficult to meet." *M. Cassidy of Blackburn*  
 "Banks have to make money somehow – better to do it through businesses than through individuals." *K. Miller of Aylesford*



**Bank charges constantly chip into my profits.**  
*K. Lister of Torgate*

"It's the way that banks make their money – I wouldn't print their business cards for nothing."

*M. Hinson of Wellingborough*  
 "I have yet to find a bank that will help a small business." *D. Clark of Weybridge*

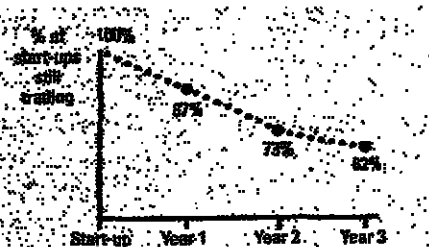
## The independent view:



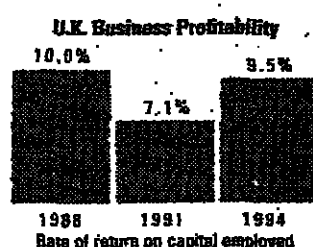
"Of course, cost is the overriding concern of business customers, but we've actually found that business people are prepared to pay for an efficient banking service. In return, they want banks to explain exactly what the charges are for, and to assure them that they're not subsidising free banking for personal account holders. At the FPB, we believe that written contracts, setting out the whole relationship, would be a good way forward. Both sides have a responsibility to improve relations: customers should be more willing to share management and financial information. And banks, in turn, should reward those customers with improved margins and charges."

**Banks need to explain exactly what the charges are for.**  
*Steve Meredith, Chief Executive, Forum of Private Business*

## The facts:



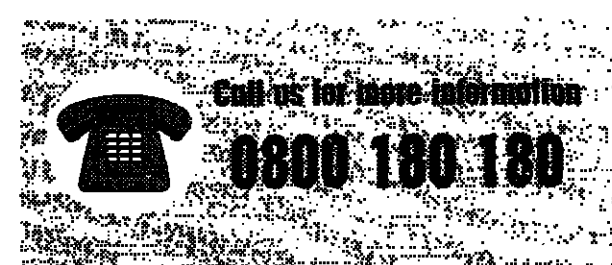
Do you consider these factors important when choosing a bank?	Yes
1. Competitive charges	47%
2. Good interest rates	43%
3. They understand my business	40%
4. Willing to provide finance	35%



## Our conclusions:

A bank is not only a service provider, it's a business, and as such has to make money. Charges really do vary between banks, and for the last five years our small business tariff has been the lowest among the high street banks. We've recognised that people are more tolerant about bank charges if they know exactly what they're for.

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## international

West Bank withdrawal: Palestinian joy is mixed with wariness as occupiers quit Nablus

# Arabs rejoice as Israelis pull out

PATRICK COCKBURN  
Nablus

"Everybody was caught by surprise," says Husan Khader, one of Palestinian leaders in Nablus, as he describes the final moments of the Israeli withdrawal from his city. The Israeli forces pulled out 24 hours early, apparently in the hope of preventing last-minute clashes with local Palestinian stone throwers. It was a plan which almost came disastrously unstuck. Israeli radio prematurely announced late on Monday evening that its troops were pulling out that night. "Some of our boys went down to the military headquarters looking for a fight," said Mr Khader. "There were still about 50 Israeli

border guards. I called all my friends to tell our people with guns to go there there and get them out. We escorted them to the nearest Israeli checkpoint."

By yesterday morning the 1,200 police of the Palestinian Authority were fully in control. They are, in fact, not police, but combat soldiers armed with assault rifles and in full military uniform. Units in green berets were carrying mattresses into the old Israeli headquarters, housed in a large dirty cream building. Apart from an old wooden chair on which a bored soldier had carved his name in Hebrew, the building was scraped clean. Even the washing bowls in the lavatory were smashed and somebody had defecated on the floor.

The Israeli withdrawal from Nablus, the largest city on the West Bank with a population of 130,000, is the critical moment in implementation of the Oslo accords. In Jerusalem a senior Israeli official said: "We can never go back in." The escalation of violence by the Israeli extreme right, which culminated in the assassination of Yitzhak Rabin, the prime minister, on 4 November, came because they believed the pullout from cities like Nablus made a Palestinian state inevitable.

In a villa built into the side of the mountain overlooking Nablus, Mahmoud Aloul, the new Palestinian governor, complains that the departing Israelis "destroyed the telephone lines and electricity supply in their



Palestinians dancing and cheering in Nablus yesterday to celebrate the early end of Israeli military occupation

Photograph: Jim Hollender/Reuters

headquarters". He cannot move in until they are repaired. Born in Nablus, he was jailed for four years in 1967, a few months after Israel captured the city in the Six Day War. He was then deported for 24 years, but helped

organise the *intifada* in the city from abroad. Two months ago he came back.

The mood of Palestinian leaders in the city swings between exhilaration at being in control and wariness about the

extent of their gains, since Israeli forces still surround Nablus. Nevertheless, Sami Musallam, head of the office in Jericho of Yasser Arafat, the PLO chairman, looked quietly triumphant as Palestinian troops escorted

him through the gates of Jneid prison, which used to hold between 850 and 1,000 prisoners. He said: "Some people want to use it once again as a hospital, but I think it should turn it into a museum. This is where our freedom fighters were held and tortured."

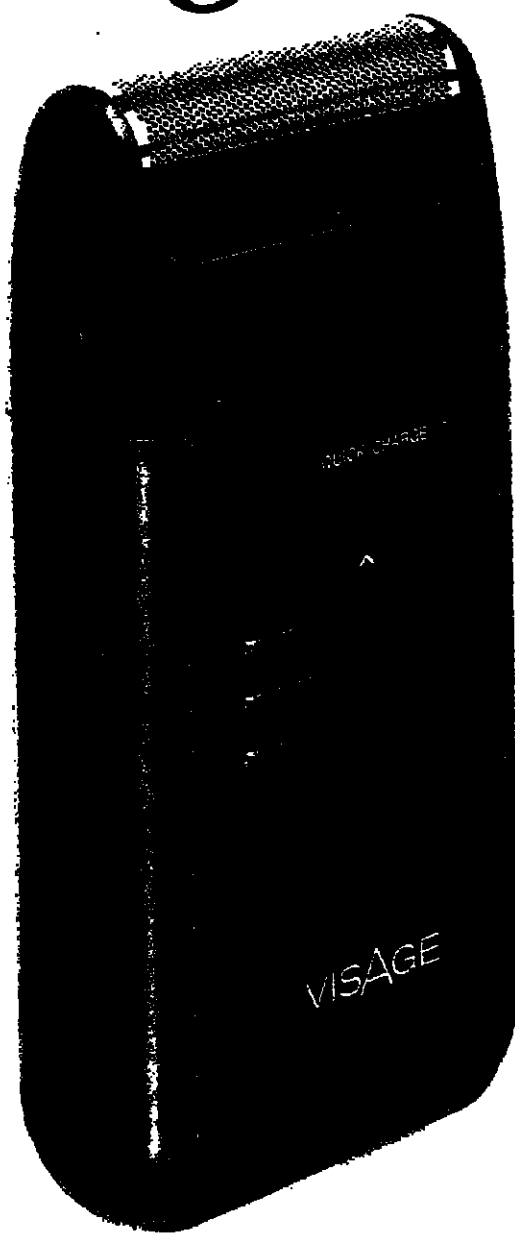
Mr Khader, 34, is the leader of Fatah, the main Palestinian political organisation, among the 16,000 people in Balata refugee camp, just south of Nablus. "People believe in the Oslo agreement because they are seeing some results on the ground," he said. "But this is not enough, because we have only a little bit of our lands." The refugees in Balata, who fled from Jaffa and Lod in Israel in 1948, are disappointed that Oslo does not do anything to win them back their homes. Fatah activists like Mr Khader are also angry that Mr Arafat is preferring notable families and PLO politicians from abroad in the election to the 82-member Palestinian Council, which is to be held on 20 January.

There were few signs of these doubts on the streets of Nablus yesterday. Despite drenching

rain and the crash of Israeli jets breaking the sound barrier overhead, most of the population was celebrating. People brought their children to look at the deserted rooms of the military headquarters and central police stations, both now decorated with Palestinian flags. After expressing his reservations about the partial nature of the Israeli withdrawal and the lack of democracy in Fatah, Mr Khader, a hardened *intifada* leader, said: "I cried when I saw the Israelis leave, because freedom is freedom."

Washington — Israel's Prime Minister, Shimon Peres, addressing a joint meeting of Congress, issued an emotional appeal to President Hafez al-Assad of Syria to join him in building a new peaceful Middle East, Reuters reports. But in his two-day visit to Washington, a wary electorate at home has prevented Mr Peres from saying the words Damascus wants to hear: full Israeli withdrawal from the occupied Golan Heights. Damascus gave a cautious welcome to Mr Peres' vow to proceed "full speed ahead" to break the deadlock.

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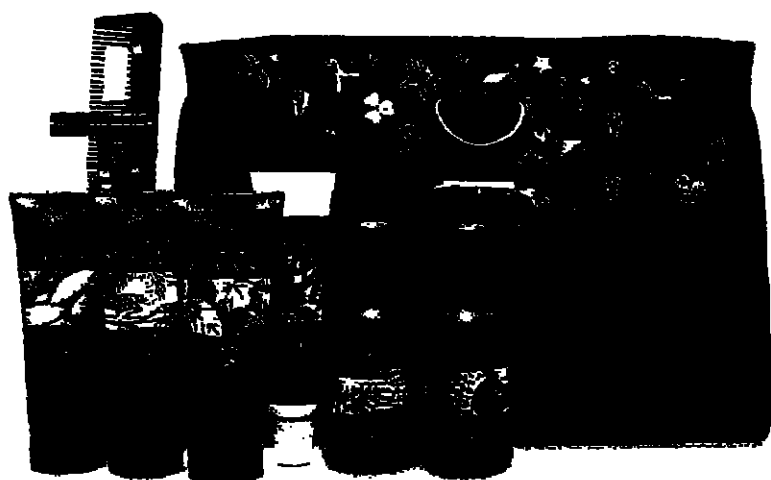
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Someone Cares

## Haiti: where a human life is worth 5p

PHIL DAVISON  
Saint Marc, Haiti

"People die for nothing here all the time. But this is the first time I've seen someone shot over a gourd."

Frank Norbury, a staff sergeant in the United States Army Special Forces, had just helped to quell a near-riot in a village 60 miles north of the capital, Port-au-Prince. He was talking about the incident that sparked the riot: the shooting of a bus conductor by an off-duty policeman over a single gourd, the Haitian unit of currency, worth about 5p.

Celestin Nene, the 26-year-old conductor on the gaily-painted *tap-tap* bus had asked the officer of the new US-trained Haitian National Police for the standard 13-gourd fare. The policeman, 20-year-old Revelus Kender, refused to give him more than 12. An argument ensued. Kender hauled the conductor on to the village's main street and fired at him on the ground.

When we arrived minutes later, hundreds of villagers were demanding justice, burning tyres, barricading the main street and yelling abuse at nervous Honduran troops of the UN peace-keeping force. "You're protecting a murderer. Go home," they screamed.

Sgt Norbury and US Special Forces Captain Garth Estadt, dripping with survival and combat gear, had arrived to help keep an angry mob from storming the local police station, where Kender had fled.

It might have been just another shooting in Haiti but it was the sort of spark the Haitian authorities and their US and UN protectors fear could ignite serious disturbances in the run-up to Sunday's presidential elections.

The fledgling police force has already been criticised for a series of trigger-happy incidents (and the fact that it still includes members of the hated, military-led former security forces).

A group of 88 from 2 Battalion, 3 US Special Forces, is playing a key role in remote areas of central and northern Haiti, patrolling rugged terrain in 4-wheel drives, on mountain motorbikes and even on horseback. Despite the angry red graffiti of "Vankes, Dirty Dogs, Figs" on Saint Marc village walls, the US troops are generally well-received.

The graffiti may have been painted by those who accuse the Special Forces of siding with Haiti's former military or militia chiefs against President Jean-Bertrand Aristide's leftist government.

An underground American publication called *The Resister* and claiming to be "the official publication of the Special Forces underground," recently reported that Special Forces in Haiti were working with ousted Haitian officers and members of the disbanded militia known as the FRAPH or Front for the Advancement and Progress of Haiti.

Sgt Norbury, 38, and an 18-year Special Forces veteran, denied it. "Not in this area. Maybe somewhere else." But his theory as to the role of American and UN troops here reflected the feelings of many of his colleagues.

"We're just like a temporary wind blowing through here. While we're here, they can sleep at night. We're basically their security blanket. But democracy's not for everybody. Haitians are going to solve their problems the Haitian way. Always did, and always will. Their way has always been vigilant justice."

"The bottom line is that if Haitians hadn't been reaching our shores on leaky boats, we wouldn't be here. Soon we'll be gone."

"You can only keep a life-support system going so long then you have to pull the plug. When we leave here, our only legacy will be the empty MRE (food rations) packets we leave behind," the sergeant said.

WORLD COVER

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# Cry for justice: Mother wrongly convicted of her daughter's murder returns to court to end 15-year ordeal 'Dingo baby' saga may be laid to rest

ROBERT MILLIKEN  
Sydney

After 15 years, several false confessions and enough media hype to rival the OJ Simpson case, Australia's most celebrated mystery, the disappearance of Azaria Chamberlain, the "dingo baby", may be resolved today.

Azaria's parents, Lindy and Michael Chamberlain, have asked a coroner's court to clear them of any involvement in the disappearance of their nine-week-old daughter in 1980. Now divorced, the Chamberlains are expected to attend the court in Darwin today when the coroner delivers his verdict.

Azaria vanished from a tent at Ayers Rock camping ground in the Northern Territory during a family holiday. The Chamberlains insisted that a dingo, a wild Australian dog, had snatched the child, and Azaria's body has never been found.

In 1982, after a frenzy of speculation, two coroner's inquiries, and a trial at which forensic witnesses mounted a circumstantial case against the parents, Mrs Chamberlain was found guilty of murdering her daughter and received a life sentence. Her husband was convicted as an accessory and was released on a good-behaviour bond. The Crown had not put forward a motive for the crime.

When a British tourist fell to his death while climbing Ayers Rock in 1986, rangers sent to retrieve his body found Azaria's matinee jacket lying near by. Mrs Chamberlain had always

maintained that Azaria was wearing such a jacket when she disappeared. With the discovery of this vital clue, the Northern Territory Government released Mrs Chamberlain and set up a Royal Commission to determine if the Chamberlains had been victims of a miscarriage of justice.

The commission found that a jury would not have convicted them if this evidence had been available. In 1988, the Northern Territory Court of Appeal quashed their convictions.

The first inquest, in 1981, found that a dingo had taken the child. A second inquest, called in 1982 after criticism of the Northern Territory authorities, concluded that Azaria was murdered by a person or persons unknown. That second finding technically still stands, despite the Royal Commission's establishment of a miscarriage of justice. It is this finding that the Chamberlains have requested the coroner to set aside, and to conclude that Azaria died accidentally after a dingo took her.

Three years ago, the Northern Territory government paid the couple \$520,000 in compensation, but has never offered them a formal apology. They have also received \$120,000 from Kerry Packer, the media magnate, for exclusive magazine and television interviews, as well as undisclosed fees for *A Cry in the Dark*, the film version of their story starring Meryl Streep and Sam Neill.

But the Chamberlains claim that the money barely covered their legal bills.



Innocent: Lindy Chamberlain (left) has requested that the death of Azaria (right) be ruled accidental. The verdict is expected today Photographs: AP



## IN BRIEF

### Café blast kills 11 in Algeria

Algiers — A car bomb exploded yesterday not far from Algeria's largest military hospital, killing 11 people and wounding 35 others. The explosion occurred at a café frequented by military personnel from the hospital, security sources said. It was not immediately known whether soldiers or army health-care workers were among the victims. There was no immediate claim of responsibility, but suspicion fell on the Armed Islamic Group, the most radical of the Islamic militant factions trying to topple Algeria's government. AP

### Rwandans dismayed

Kigali — Rwandans reacted with dismay yesterday after an international tribunal investigating last year's genocide indicted only eight people for the slaughter of up to one million minority Tutsis and moderate Hutus. Information Minister Jean-Pierre Bizimana said that his government was not satisfied with the first indictments announced by the tribunal's Chief Prosecutor Richard Goldstone in the northern Tanzanian town of Arusha. Reuters

### PM fighting for life

Athens — Greek premier Andreas Papandreu was fighting for his life in hospital after developing a new infection. A hospital bulletin said that Papandreu, 76, had been given a wide range of antibiotics, but had been taken off the respirator which had helped his breathing throughout Monday night. Reuters

### Kohl escapes bomb

Bonn — A letter bomb addressed to Chancellor Helmut Kohl blew up in an eastern German post office, federal authorities said yesterday. No one was injured and there was no damage. AP

### Manila on alert

Manila — Manila police were put on red alert after a left-wing death squad killed a prominent industrialist and a five-year-old boy in what President Fidel Ramos said was a declaration of war on the state. Leonardo Ty, 82, and five-year-old Jeremy Ty Jin Han from Singapore were among four people killed in three ambushes on Monday. The attacks, blamed on the Alex Boncayao Brigade (ABB), all involved targets from the Philippines' wealthy Chinese business community, which is frequently the victim of kidnappers. Reuters

# China's most outspoken dissident faces jail once more

TERESA POOLE  
Peking

It was November 1978, when posters started appearing on a brick wall in central Peking demanding political reform, that marked the birth of the "Democracy Wall" movement.

Within months, a young electrician from the zoo, Wei Jingsheng, had made his mark as an outspoken contributor. "We want no more gods and emperors, no more saviours of any kind," he wrote. "Democracy,

freedom and happiness are the only goals of modernisation."

By March 1979 Mr Wei had been arrested, and later that year was sentenced in a closed court to 15 years for "counter-revolutionary" activities.

These days the brick wall is long demolished and the pavement is lined instead by a government "Science Popularisation" exhibition. Glass-fronted exhibition panels extol the achievements of Chinese women scientists — propaganda left over from Peking's biggest

ever international event, the World Women's Conference in the autumn.

Peking's skyline and China's global status have been transformed by 16 years of economic reform. But some things have not changed. In the city's No 1 Intermediate People's Court this morning, a trial will open with Mr Wei, 46, now

accused of trying to overthrow the government. Since March 1979 he has spent only six months out of jail, and today is likely to receive another long

prison term. Nor, despite a court spokesman's promise that the trial would be "open", have any ordinary Chinese, foreign diplomats or journalists been given passes to attend.

Mr Wei's trial will again put the international spotlight on China's judicial system and the government's intolerance of criticism.

The name Wei does not stick in the memory of Westerners in the way Mandela and Sakharov once did, although he is often dubbed the country's "most

famous" dissident. But he has been a constant thorn in the side of the Chinese government for almost two decades.

Mr Wei has an unlikely counter-revolutionary background. He came from a family of Mao loyalists in Anhui province, and was a Red Guard before going to work as an electrician in the Peking Zoo. When the political climate thawed in 1978, he edited a journal called *Exploration*, and quickly embraced the Democracy Wall movement.

As well as being an advocate of democracy, he bluntly rejected Deng Xiaoping's policy of economic modernisation without political reform. "The people must maintain vigilance against Deng Xiaoping's metamorphosis into an autocrat," Mr Wei wrote, prompting his immediate arrest and heavy sentence, much of it spent in solitary confinement.

It was not until September 1993 that Mr Wei left prison, released on parole by the government in the hope of winning

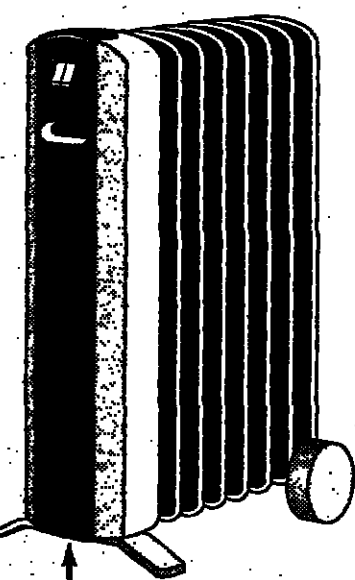
the 2000 Olympics for Peking. He immediately renewed his call for democracy and insisted he would not escape abroad. His robust opinions showed no sign of having been weakened by his prison experience.

It was his decision to meet a senior US government human rights official, John Shattuck, which terminated his new-found freedom. Soon after, on 1 April 1994, Mr Wei was detained, and has not been seen since. Today he may well disappear again, for a very long time.

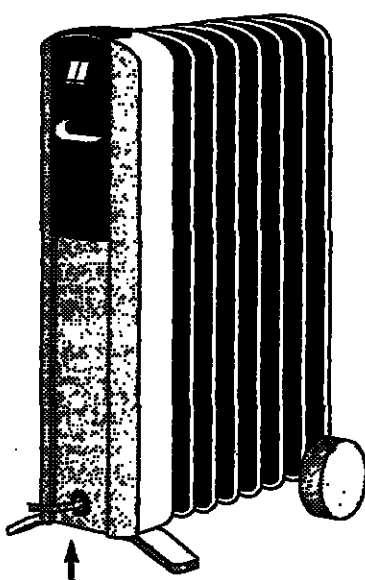
## IMPORTANT SAFETY NOTICE PRODUCT RECALL

STOP USE IMMEDIATELY

### Dimplex New Style Column Electric Oil Filled Radiator



Model Numbers  
CR1507, CR2009 & CR2009T  
(model number is shown here underneath front end)



Model Number  
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It has come to our notice that some of the new style column type oil filled electric radiators, may in certain situations represent a potential safety hazard. These heaters have only been on sale since October 1995. If you have purchased one, you should follow this procedure:

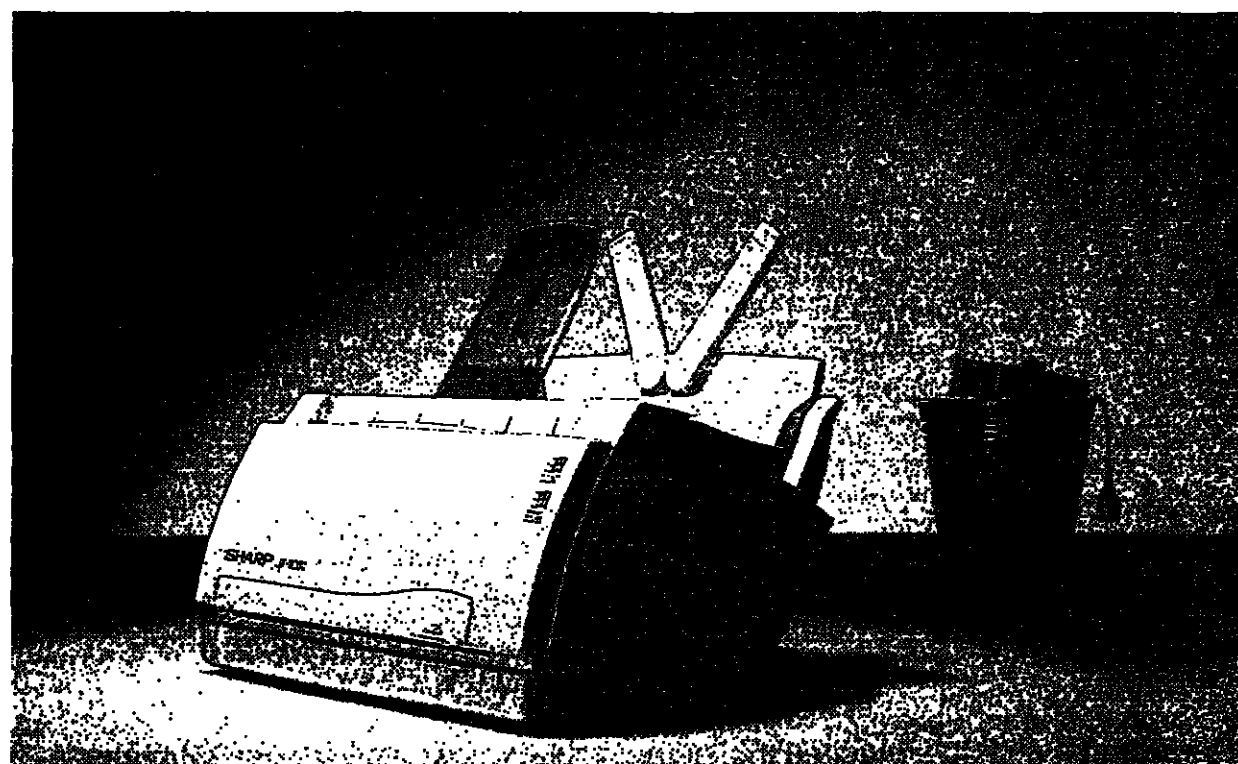
- 1 Do not use the heater.
- 2 Unplug it from the mains supply.
- 3 Return it to the place of purchase for either a full refund or an alternative replacement.

If you have any problems whatsoever or if you are unable to return the product, please phone the Dimplex customer service line (0800 636434). There will be no charge for this call. Lines open from 8am to 8pm, daily (answerphone in use at all other times).

If you are unable to telephone, please write to: Dimplex (UK) Limited, Customer Services (Radiators), FREEPOST (no stamp needed), S01638 Millbrook, Southampton, S015 0UH.

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**Dimplex**



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What's more, it has lower operating costs because it doesn't use developer and continually recycles toner. But this won't affect print quality. In fact, it's better than ever. (Especially the JX-9210 which has a 600 x 600 DPI.)	That's not all. The JX-9200 is also compatible with all versions of Microsoft Windows™ software! including Windows 95™. Combine this with the 'Graphic User Interface' and you've got a printer that talks you through the entire printing process. Even if there is a problem, the solution will	So if you're a growing business, why not invest in the JX-9200? At £299*, it'll certainly look good on paper. To find out more call free on 0900 262 958, quoting reference PINH1.

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By now established in situation comedy, Mullard took the

By now established in situation comedy, Mullard took the

**'It was all an act': Mullard with the Marvell Lane Boys Club, London, on a 'sponsored stag-break' from Wood Street police station, 1979**

army deserter and a scrounger, who stole from allotments. The programme, with theme music by Roger Whittaker and writers who included the duo of Ronald Wolfe and Ronald Chesney, also starred James Beck and Jo Rowbottom as the Briggs' equally workshy neighbours in a caravan park. After Beck's death, this couple were

Capitalising on his stardom, Mullard teamed up in 1978 with the comedienne Hylda Baker to record a spoof version of John Travolta and Olivia Newton-John's "You're the One That I Want", from the film *Grease*. The single made the Top 30 and the pair even appeared on *Top of the Pops*. The actor was also a regular guest on the

**Anthony Hayward**

Twenty years ago, writes Dick Vosburgh, Barry Cryer, Peter Vincent and I were writing the all-impersonations television series *Who Do You Do?* The show's director/producer Jonathan Scofield suddenly told us he'd booked Arthur Mullan. Our first reaction was negative in the extreme. "But he's not an impressionist!" we wailed. "Who cares?" snapped Scofield.

Also treasured is his unchanging recreation of "That well known Swedish bint - Greet Garbol!" After the same preamble he would bellow "I want to be alone. So piss off!"

One of the BBC satire shows cast him equally memorably in the role of Gertrude Stein, his "A rose is a rose is a bleeding rose" brought down the house.

**Arthur Mullord (Arthur Mullard)**, actor: born London 19 September 1912; married (two sons, one daughter); died London 1 December 1995.



Rose: the broken middle

Gillian Rose's own life was full to bursting with such risks.

such generosity, such *eros*, power and violence. She did not escape the taint of ambiguity, but then her own credo refused such escape and demands that we interrogate with suspiciously apparently more untainted goodness.

She bequeaths us difficulties and mysteries. The thinker who denounces the modern Jewish retreat from law in the name of

**THE** *Journal of the* **British Psychological Society**

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regated it seamlessly into a line. Gillian Rose, who will take her place in the lineage of great Jewish women thinkers and of great British Hegelians, lived a life of astonishing philosophical eros and intensity, culminating in her masterpiece *The Broken Middle* (1992), an unbreakable autobiographical fragment *Levi's* (1995), which brought her work to the attention of a broad audience.

no generosity and no exercise of desire, whether for ideas or the goodness of persons.

Gillian Rose's own life was full to bursting with such risk, such generosity, such *eros*, pow-

Rose: the broken middle

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1. The first step is to identify the problem or question that needs to be answered. This involves understanding the context and the specific requirements of the task.

Even in those early days staff and visitors alike relied on Gullert's film knowledge to as-

creating an awareness of Japanese film history in Britain. His championing of the Japanese di-

Gillett was not only intent on ensuring that film information was correct, but he was equally intent in ensuring that films were shown at the right speed, at the right sound level and always in focus. He was the

**Lesley Hardcastle**  
*John Gillett, film critic, programmer and historian: born 28 September 1925; MBE 1995; died London 7 December 1995.*

half past nine, 10 o'clock. I had to take the part of the Queen. So whoever was rehearsing, they always had something to do with what the Queen was doing. . . . The crown itself was very heavy and one had to make sure that it fitted absolutely right, otherwise it could easily have toppled off. It was so heavy and as

since he was Senior Knight, they would get into car no 1 for the return ride up the hill. When she joined the Order, she had to wait her turn and enter car no 23, the penalty of membership of a club, however elevated.

written after her transfer from Sussex University to a Chair in Social and Political Thought at Warwick, this claim is set forth in detail, and extended into a critique of more "holy" versions of postmodernism, which appear

*Rose*, philosopher: born London 20 September 1947; Lecturer in Sociology, Sussex University 1974-89; Professor of Social and Political Thought, Warwick University 1989-95; died Coventry 9 December 1995.

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10

I had to be ready to come to the abbey every single morning at about half seven or 10 o'clock and to take the part of Simon. So whoever was rehearsing, they always had something to do with what the Simon was doing. ... The crown itself was very heavy and one had to make sure that it fitted absolutely right, otherwise it could easily have toppled off. It was so heavy and as

as the "sheerly different" or "the absolutely other".

In *The Broken Middle* (1992), written after her transfer from Sussex University to a Chair in Social and Political Thought at Warwick, this claim is set forth in detail, and extended into a critique of more "holy" versions of postmodernism, which appear

**John Milbank**  
*Gillian Rosemary Stone (Gillian Rose), philosopher: born London 20 September 1947; Lecture Reader in Sociology, Sussex University 1974-89; Professor of Social and Political Thought, Warwick University 1989-95; died Coventry 9 December 1995.*

10/1/74

$\frac{1}{2} \times \frac{1}{2} = \frac{1}{4}$

### Changing of the Guard

The Household Cavalry Mounted Regiment mounts the Queen's Life Guard at Horse Guards.

In Hempel, actor, hotelier and designer, 54; Dr Douglas Latta, surgeon and gynaecologist, 82; Mr Robert Lindsay, actor, 46; Professor Sir William McCrea, astronomer, 91; Mr Tom Monk, former chief executive, 11-12; Dr John Parnham, 15-16; Parnham, chief executive, Loyds Bank, 20; Mr Christopher Plummer, actor, 66; Sir Humphrey Prichard, former chairman, Motland and Co, 80; Sir Robin Renwick, former ambassador to the United States of America, 58; Mr George Shultz, former US Secretary of State, 75; Professor Geoffrey Smith, 10; Sir John Smith, 10; Sheffield University, 69; Maj Gen Sir David Thomas, Director-General, Commonwealth Trust, 62; Sir Laurence van der Post, writer and explorer, 89; Mr Dick Van Dyke, actor, 70; General Sir Peter Whitley, former Commander, 10; Sir Peter Whitley, Northern Europe, 75; Miss Pauline

Wassily Kandinsky, abstract painter, 1894; "Grandma Moses" (Mrs Thomas Salmon Moses), primitive painter, 1961. On this day the first assembly of the Council of Trent opened, 1545; St Francis Drake left Plymouth on his voyage across the world, 1577; New Zealand was discovered by Abel Janszoon Tasman, 1642; the Confederate forces under Robert E. Lee were victorious at the Battle of Fredericksburg, 1862; in the United States, Italo Marcioni patented the first ice-cream cone, 1913; a spell of extreme cold weather killed about 200 people in the United States, 1960. Today is the Feast Day of St Ambert of Cambrini, St Eustratus of Sebastea, St Judocus or Joss, St Lucy and St Othilia or Otilia.

of the Law Commission.

Professor Alan Watson, to be Deputy Chairman of the English-Speaking Union.

Mr Charles Barwell, Baroness Hope, Baroness Smith and Mr Peter Sparling, to be Governors of the English-Speaking Union.

**Church appointments**

The Ven Michael Stanley Till, Archdeacon of Canterbury and Canon Residentiary of Canterbury Cathedral, to be Dean of Winchester.

Canon Christopher Hill, Canon Residentiary and Precentor of St Paul's Cathedral, diocese of London, to be Suffragan Bishop of Stafford, diocese of Lichfield.

The Right Rev Richard Howland, Suffragan Bishop of Plymouth, diocese of Exeter, to be Suffragan Bishop of Crediton, same diocese.

**Bankruptcy orders were made against Mr Fitch, a chartered accountant, and his wife. Mr Fitch's statement of affairs showed a deficiency of some £200,000 against secured liabilities and unsecured liabilities of £60,000. Mr and Mrs Fitch applied for the orders to be rescinded under section 375(1) of the Insolvency Act 1986. The petitioning creditor and many other creditors supported the application, believing that there was a serious risk that the existence of a bankruptcy order against Mr Fitch would prejudice the recovery of a substantial asset for the estate.**

**Mr Fitch in partnership with**

Mr Justice Chadwick refused the application on the grounds that the petitioning creditor's change of attitude did not derive from new matters not previously available at the previous hearing and that the application involved the court in approving the deception that Mr Fitch was not a bankrupt.

*Anthony Mann QC (Meades & Brittel), for Mr and Mrs Fitch, Mowley (Treasury Solicitor) for the Official Receiver.*

Lord Justice Millett said that section 375 allowed the court to review and rescind or vary

**Ying Hui Tan, Barrister**

1. *Chlorophyll a* and *Chlorophyll b* were determined by the method of Arar and Collins (1971).

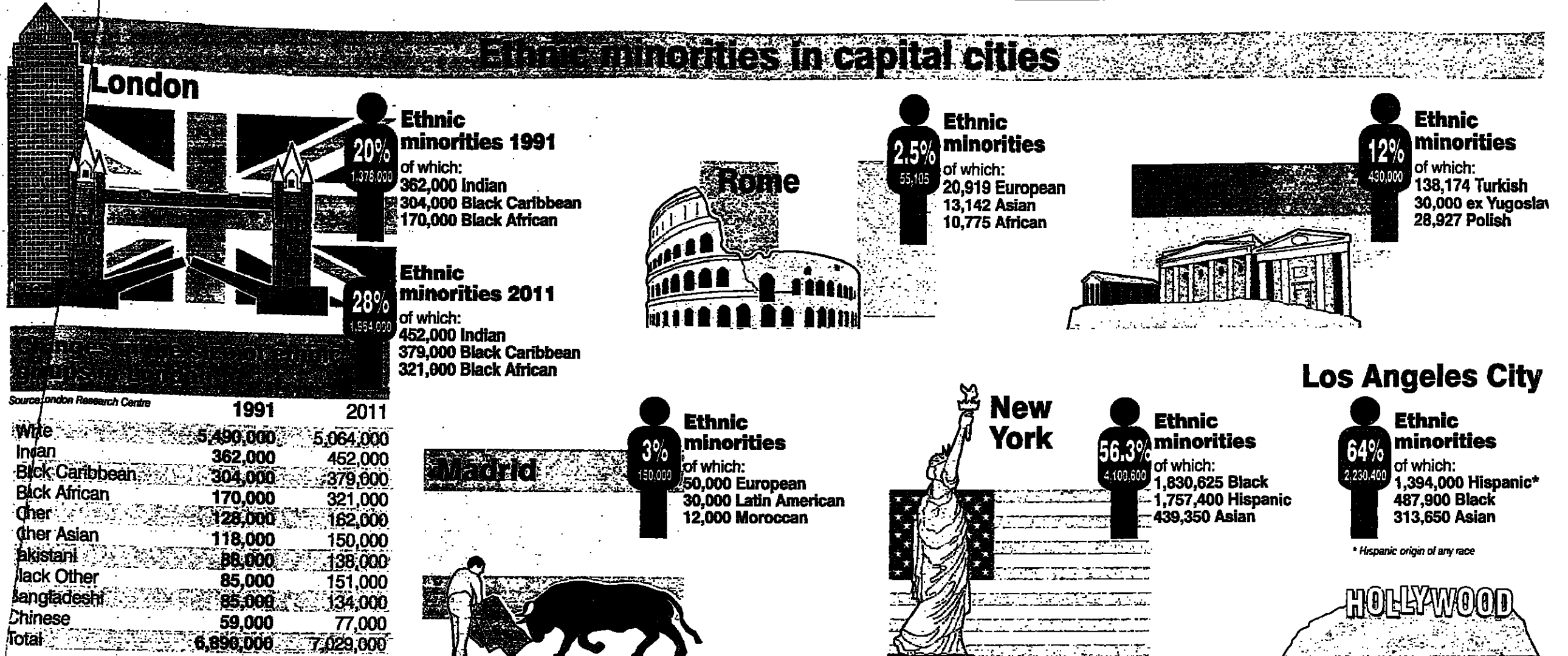
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Professor  
ilian Rose

# news analysis



## London: Europe's new ethnic melting pot

London has always been a cosmopolitan city, home to wave after wave of immigrants who in time have become Londoners, providing the mix that arguably makes London the most cosmopolitan city in the world.

There were Irish and Jewish people in London in the 12th Century. Greek Street in Soho takes its name from an Orthodox community there in the 17th century, while the East End has played host to seventeenth century Huguenots, eighteenth century Irish and nineteenth century Jews before becoming the Bengali community it is today.

And work by the London Research Centre published this week, based on the 1991 census, shows the process is still at work. From 20 per cent of the population now, ethnic minorities are projected in just 15 years' time to make up 28 per cent of the capital's population.

Two London boroughs, Brent and Newham, will see the ethnic minorities become the majority, their present 45 per cent and 44 per cent rising to 52 per cent and 61 per cent respectively.

But in every London borough the numbers will rise, from Bexley and Bromley to Richmond

A new report suggests that within 15 years almost one third of the capital will be composed of ethnic minorities.

**Nicholas Timmins** looks at London's changing profile

and Sutton. Each of these outer boroughs at present has only a 5 or 6 per cent ethnic minority population. But each of which will see a similar 40 per cent rise to the rest of London, taking them close to 10 per cent.

The increase is almost entirely the result of the natural age structure, not the result of higher birth rates or continued immigration, according to the London Research Centre. Those groups which will enjoy the highest rate of growth at present have the lowest age profile. According to Herman Ouseley, chairman of the Commission for Racial Equality, these changes represent both a challenge and an opportunity.

By 2011, well over half London's ethnic minorities will be British born, a proportion that will continue to rise sharply as the wave of Caribbean and Asian immigrants from the 1950s and 1960s dies off.

London's cosmopolitan nature, however, comes not just from New Commonwealth immigration. In 1991, the census showed there were communities more than 10,000 strong in London from 34 countries. They ranged from more than 250,000 Irish to 133,000 people born in EU countries, 32,000 Americans, 50,000 Cypriots, almost 12,000 from Vietnam, 18,000 from Hong Kong, almost 14,000 from Mauritius, 21,000 from Poland, 16,000 from Malaysia, a similar number from Iran and 20,000 from Turkey.

Not all of these will be British citizens and London's role as a key financial and trading centre has contributed to its ethnic mix - bringing in the Arabs in the 1970s and the Japanese and growing ranks of Europeans in the 1980s and 1990s - combined with Britain's traditional, if steadily more restrictive, role as a haven for refugees.

The most dramatic engine of the recent change in London's ethnic make-up, however, has indeed come from New Commonwealth immigration, starting almost 50 years ago when the Empire Windrush docked in 1948 with the first Caribbean immigrants brought over to boost Britain's labour force.

In assessing how well the capital has coped, Anne Page, chief executive of the London Research Centre, and Chris Myant, a spokesman for the Commission on Racial Equality, strive for a balance.

On one level the capital has adapted remarkably well. Only briefly in the 1950s in Notting Hill has there been anything in London that could fairly be called race riots: the 1980s riots in Brixton and at Blackwater Farm having caused far more complex than race alone.

None the less, immigration initially produced the growth in intolerance that almost every wave of immigrants has faced. Its peaks were symbolised by Enoch Powell's "rivers of blood" speech in 1968 and the growth of the National Front in the late 1970s and early 1980s.

But as legislation progressively restricted immigration, governments of both colours began to take positive action to promote good race relations with the result that London

now has a record far better than probably any other European city, where in most cases mass immigration has been far more recent.

"The reason, I think, is that we deliberately faced the issues after the growth of intolerance of the 1950s and 1960s," Anne Page, the London Research Centre's chief executive says, defining the passage of the 1976 Race Relations Act as the crucial moment in that.

As a result, London today enjoys a rich mix of people and culture unparalleled in Europe, and an atmosphere of racial harmony, compared to its own recent past and possibly to other large cities in Europe," she says.

Chris Myant points not just to the immense range of restaurants and shops reflecting flavours and cultures from around the world but whole ethnic shopping centres from Soho's Chinatown to Southall's Indian markets that are an intrinsic part of London life, as is the Notting Hill Carnival, a uniquely Afro-Caribbean event that draws in a vastly wider range of the population than Afro-Caribbeans alone. That, he says, "is very different from the odd Chinese or Japanese shop. These are real communities that are part of London and it is something that gives us great confidence and hope for the future."

There remains, he says, however, a darker side, one of unequal opportunities and uneven achievement, fuelled by continuing discrimination. There is a seemingly permanent undercurrent of racial attacks and violence in parts of London. Employment opportunities still vary widely by race. Among 16- to 24-year-olds, the Labour Force Survey showed last year that 60 per cent of black males were unemployed, a rate approaching three times that for whites. Average weekly earnings for whites in London

are just under £400 a week against not much more than half that figure for the ethnic minorities. And while a black and Asian middle class has emerged in growing numbers there are wide variations among the ethnic groups.

The 1991 census showed that among black Caribbeans, there were half the managers there would have been if there was no employment difference between ethnic groups: the figure for the professions being a third. By contrast, among Indians the proportion in the professions was higher than expected, although managerial numbers were relatively low. The professions employed almost twice as many Chinese as might be expected. Bangladeshis, particularly, were over-represented among unskilled workers. And despite considerable considerable efforts, the ethnic minorities remain under-represented across wide swathes of city life, not just in professions and top management. The Metropolitan Police, already policing a city a fifth of whose population is from the ethnic minority still has only around 1.5 per cent black and Asian officers.

If there is a long way to go to achieve equal opportunity, the continued growth of London's ethnic minority population, however, is surely less threatening to the white population now than the original immigration of the 1950s and 1960s. Familiarity has bred mutual tolerance. The National Front and British National Party, which once had their bases firmly in London's inner city, now seem to do better in Bexley where ethnic minorities still make up a mere six per cent of the population.

In an increasingly global world, London's cultural and linguistic diversity can be seen as a key competitive advantage. If only the capital has the wit to use it. "Britain's ethnic minorities are an irreversible part of the social, cultural and economic well-being of London," Mr Ouseley argues. "Employers in London have the opportunities to be the envy of the world with such diversity."

With more inter-marriage, more mixed communities, more ethnically mixed children and more diversity, London is set in the 21st century to become a new type of city for Europe - one more like the immigrant cities of the United States, but without, if London gets it right, their segregation.

**Peter York, management consultant, Eighties' style guru and co-inventor of the Sloane Ranger, has at last found a way of recycling all his insights from the past decade. In a forthcoming BBC series he claims that we are all nostalgic for the Eighties, despite its more recent reputation as a period that glorified selfishness and excess, and pandered to right-wing market dogma.**

But York also has plenty to say about the defining features of the Nineties. Tony Blair, he tells me, is "pure Nineties man" because he has learnt from the Eighties and is prepared to say so. Then there is the way information technology has penetrated the sensibilities of the chattering classes - "18 months ago you would never have heard them talking about the Internet". And lastly, we have Sixties revivalism. "Seriously young, seriously cute girls wear short skirts and long boots. The men are beginning to wear sharp suits. It's a positive, smart, youthful look."

None of this washes with Waldemar Januszczak, who was moved to write a vitriolic piece in the *Sunday Times* about the series. "Peter York appears to have spent the past five years in formaldehyde... His business was selling nothing as something... His suits might cost him £2,000, but they still cannot disguise the sad gait of a door-to-door salesman..." and on and on.

York is baffled. "What I thought was particularly unfair was that the *Sunday Times* did not state Januszczak's day job, given the obvious conflict of interest with the BBC."

Januszczak is commissioning arts editor at Channel 4. And, curiously, York recalls being asked in the summer to front a programme for Channel 4. "Since I was already signed up with the BBC I did not

**Diary**

bother to reply," he says. The subject? The Eighties.

Karl Watkin, the Newcastle businessman who yesterday bought the Tyne Theatre and Opera House in his home city for an undisclosed multi-million pound sum, looks likely to persuade the D'Oyly Carte Opera Company to move to Newcastle from Birmingham. "It is our intention," says Mr Watkin, "to develop the European centre for bourgeois-populist opera in Newcastle."

What, pray, is bourgeois-populist opera? Apparently, the phrase is the invention of D'Oyly Carte's chairman, Sir Michael Bishop, who also chairs the bourgeois-populist British Midland Airways. "The phrase is a new one and not a known operatic genre," said a D'Oyly Carte spokesperson, a little uncomfortably. "I know bourgeois could be taken as an insult, but it's a way of saying we cross bridges."

The bourgeois-populist bridge-builders, WS Gilbert could, no doubt, have got a lyric out of that. I will print the offerings of *Independent* readers who fancy themselves the very model of a modern bourgeois-populist bridge-builder, and can supply Eagle Eye with a suitably cutting Gilbertian lyric.

The London *Evening Standard's* front page this week showed this picture (right) in connection with the murdered headmaster Philip

Lawrence. It was headlined: "A mourner kneels in silence by the floral tributes outside the gate of St George's School." Not quite. If you look closely, you can see a notebook - a tool which identifies the "mourner" as the *Mail on Sunday* reporter Tanya Reed, who works two floors up from the *Standard's* offices.

Maureen Hicks, the rejected Conservative candidate for Stratford-upon-Avon, claims bitterly that she fell victim to a "blue-rinse mafia" of women. The blue-rinse epithet is always flung at ladies of a certain age and of a certain political disposition, but research by Eagle Eye shows that it could not be more inappropriate.

In fact, none of the women on the 23-strong selection committee has a blue rinse. But more damning than this to Ms Hicks' testimony is the

fact that the blue rinse is fast becoming extremely trendy. Daniel Galvin, hairdresser to the Princess of Wales, among others, tells me that he is giving that notably fashionable pop star and non-Conservative voter Cher a blue rinse. "She wanted a dark-blue rinse to get a navy-blue shimmer to her dark hair," he says proudly. Whisper it not in Stratford-upon-Avon.

I am perturbed by the results of a new survey sponsored by Durex. It reveals that while 20 per cent of males believe office Christmas parties have a good chance of leading to casual sex, only 1 per cent of women share their opinion. Disturbingly, last year's figures were 13 per cent for males and 3 per cent for females.

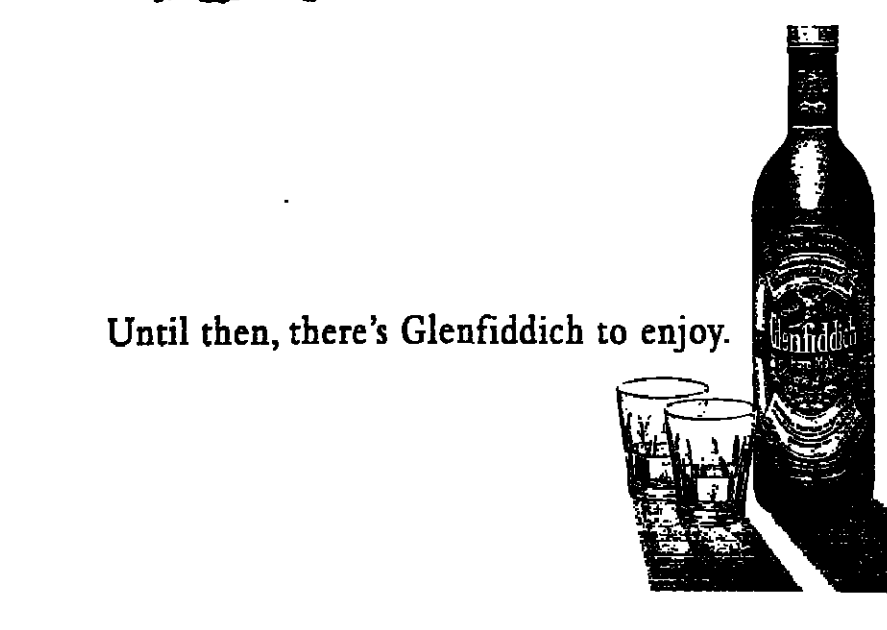
I asked a professor of statistics for his conclusions. Combining a regression analysis of this year's figures with extrapolation of last year's, he came up with some alarming implications. If the figures are correct, he says, we are forced, within a 2 per cent margin of error, to one of the following conclusions:

- 1) 17 per cent of males are incapable of learning from experience;
- 2) 12 per cent of women suffer from chronic alcohol amnesia;
- 3) women outnumber men at office parties by a factor in excess of four to one;
- 4) homosexual males outnumber heterosexual by almost 10 to one;
- 5) 1 per cent of females are phenomenally promiscuous.

The party Eagle Eye wants to attend is the one patronised by all the above categories, where hordes of chronic alcoholic amnesiac women dance the night away with ever diminishing numbers of willing chaps.

**Eagle Eye**

## Virtual tuna caught in Internet



Until then, there's Glenfiddich to enjoy.









# Man enough for poisonous porridge

Judge Tumim has been shamefully rewarded for his work as prisons inspector. But an ideal post is vacant

I was the moment the audience had waited for. The prisoners of HMP Wandsworth belted out the song with an irony, wit and poignancy no other cast could have galvanised. "We are sick, we are sick. Juvenile delinquency is a social disease. We're no good, we're no good, we're no good, good, good." The words of *West Side Story*, written some 40 years ago, still summarise the same old arguments. Are they sick or bad, to be punished or rehabilitated, for education or retribution? Judge Stephen Tumim has planted his standard firmly on the side of redemption, through education and the arts.

This was an evening for the great and good to say farewell to the great and good Judge Tumim, after his eight years as inspector of prisons came to an abrupt and untimely end when the Home Secretary chose not to renew his contract. The audience was packed with the tattered remnants of what was once called the liberal establishment — distinguished judges and lawyers, Lord Longford, Prunella Scales, the former director of prisons and recent liberal convert Derek Lewis (another Howard victim), and many more, garbed in bow ties in homage to Tumim's own. It was a cabal of appreciation, an act almost of insurrection.

Coded and not so coded words were spoken at the end of the show. And Judge Tumim warned that the 50 per cent cut being made in education inside prisons would virtually bring to an end performances such as these.

When it was strongly rumoured

that there will be no knighthood in the New Year Honours list for the fearless and tireless judge, a murmur of anger coursed through the guests. Blackballed, there will be no seat on useful committees, no further service required, despite his hard-earned expertise. His honest and acerbic turn of phrase is not in demand.

He departed with a resounding speech on the redemptive power of art for prisoners, especially drama. A couple of prisoners in the cast spoke, too, effusive in praise for the judge, extolling with a few wry jokes all he has done for the prison service, the dignity of prisoners, for their rehabilitation and education. "Thank you for trying," one said. Lumps in throats all round. How sickened Michael Howard would have been by all this soft stuff.

The prisons are now fuller than they have ever been, as a deliberate result of the Home Secretary's belief that "prison works". On 1 December, when the new inspector of prisons took over, the prison population stood at 52,731 — 9,000 more than when Michael Howard became Home Secretary in 1993. But a confidential Home Office document warns that there is much worse still to come.

In his party conference speech, Howard announced new measures designed to send yet more people to prison for longer. Three strikes and you're out for burglary, life for second-time violent and sex offenders and making prisoners serve their full sentences will multiply the prison population.



POLLY TOYNEBEE

A secret internal Home Office memorandum makes an alarming prediction on the probable effect of just the last of these: making prisoners serve their full sentences. It expects the prison population to rise by 10,000 in the first year and another 10,000 in the second year; the total increase by year 10 being 29,000. This estimate is based on the assumption that judges would hand out exactly the same sentences as at present, which they probably wouldn't. But the same document says that judges would have to reduce their sentences to less than 60 per cent of present terms if a large increase in prison population is to be avoided. Very few people imagine that judges will do that, either.

At what point will the overcrowding become so explosive that riots will break out again? Will Michael Howard still be there to reap the whirlwind of this policy? The new drastic cuts in education, with staff directed to more security duties instead of escorting prisoners from cells to classrooms, will add to the pressure. So far no one has applied for the job

of director of prisons, following the sacking of Derek Lewis in October. The Home Office press office retorts that it hasn't been advertised yet — but it is widely regarded as the job from hell, a poisonous bowl of porridge. There is a deep, despairing anger among many in the prison service and it echoes in the whisperings down Home Office corridors. "No Home Secretary in living memory has ever been so hated," says one insider. "He puts political advantage ahead of everything else."

"Everyone's just holding their breath and trying to bear it until he goes," says another. I have never heard civil servants speak like this.

It was with an unguarded whoop of joy that one prison service insider greeted this week's comments by Tumim's successor. The fear was that Howard's appointee as inspector of prisons, General Sir David Ramsbottom, would be a know-nothing puppet, used to obeying orders. After all, Peter Lilley recently brought in a safe army man to head the tricky Social Services Advisory Committee. (A third ex-forces recruit, however, the Prisons Ombudsman, Sir Peter Woodhead, has turned out a disappointment to Howard, protesting vigorously that complaints which he upholds have been regularly rejected by the prison service.)

Now it appears that the new inspector of prisons may be cut from the Tumim cloth. In his first interview this week he savaged the idea of boot camps for the young. He does not think

offenders should face tougher regimes in prison, wants them to have more incentives and he expresses deep anxiety at the growing overcrowding. "I am not going to respond to party political pressure," he said. "I shall be very critical, but I hope constructive."

Judge Tumim chuckled with glee on reading this: "I never criticised political policy like that!" he said. In writing his epitaph, it would be quite wrong to label Tumim as a straightforward liberal, for many penal reformers disagree strongly with his views. They believe custody should only be for the dangerous, and that prison is bad for people, hardening their criminality, with no proven good effect on reoffending rates. Tumim thinks well-run prisons could, and should, transform people. "The figures mean nothing, as it has never been tried."

As he settles down to write his book on prisons, he advocates intensive education, training, moral and psychological counselling, proper work paid at proper rates, and arts to lift their horizons. Although he thinks too many people are sent to prison, he dismisses the liberal counsel of despair, along with the right's bleat that it wouldn't be fair to give offenders advantages not shared by the honest unemployed outside the walls.

He has a Victorian faith in the power to redeem people, a faith all too unfashionable in so much social policy at the moment.

If they can't find anyone else, why not appoint him as director of prisons?

Michael Farrell wonders what has motivated the Government to lift accepted safe alcohol levels

## We don't need one more drink

The Government is too close to the alcohol and tobacco industry for the good of the people's health. It firmly opposes any ban on tobacco advertising. And yesterday, as the World Health Organisation launched its largest conference ever on the health risks associated with alcohol, the Department of Health announced revised guidelines universally perceived as an increase in the recommended sensible drinking limits.

These limits previously stood at 21 units of alcohol a week for men and 14 for women. The Government has now announced daily limits — three to four units a day for men and two to three for women. The sensible limits were backed as recently as June in a report by the Royal Colleges of physicians, psychiatrists and general practitioners and endorsed

by the British Medical Association. However, the Government has been under intense pressure from the alcohol industry to modify these sensible limits. An internal working group of civil servants reviewed the scientific evidence ostensibly on the links between alcohol and coronary heart disease and produced conclusions at significant variance with all recent UK reports. The Royal Colleges' report, *Alcohol and the Heart in Perspective: sensible limits reaffirmed*, stated that alcohol consumption of one to two units a day protects middle-aged men against coronary heart disease and that alcohol may possibly have a protective effect in women, but it stressed that against this must be set the harmful effects of alcohol.

Approximately one third of men and 10 to 15 per cent of women already drink more than the existing recommended sensible limits. In 1990 the Government, in its Health of the Nation strategy, set a target to significantly reduce the number drinking above these limits. Subsequent surveys have shown no changes in the numbers drinking above these levels. Despite this, the Government has now in effect increased the levels for safe drinking to a level that is against current medical advice. The single unit a day increase for women amounts to a rise of 50 per cent in recommended consumption and an increase of one third for men.

The resounding message to the public is that they can drink more

ance between economic gain for the Treasury and the damage to the public's health. Yesterday's guidelines are a clear victory of Treasury over health and are the culmination of the alcohol industry's long-term pressure on the Government. Thus, at a time when the Government's strategy to reduce those drinking above the sensible limits is clearly failing, the Government has reduced taxation on whisky, increased children's access to public houses and recommended higher levels of consumption in a manner that is most likely to increase the health and social burden of alcohol-related harm on society.

In the same year the Government's new drug strategy consultation rejected proposals that alcohol and tobacco be included as part of the overall plan. Thus at a time when the Government wishes to give a firm message to young people against drug use it sends out the opposite message on alcohol and tobacco to the adult population.

The alcohol industry will applaud these changes as it pushes to maximise pre-Christmas sales, but the high cost of these changes will accumulate inexorably over the coming years.

The writer is senior lecturer and consultant in alcohol and drug dependence, National Addiction Centre and Maudsley Hospital, London.

# I put the national interest first

Edward Heath sets the record straight on Labour, Europe and party treachery

In recent years I have become increasingly alarmed at the way the press has distorted and sensationalised the European debate in this country. Even so, I was still somewhat shocked to read the headlines in Monday's newspapers: "I'll back Labour, says Heath"; "Heath may vote with Labour"; "Heath threatens revolt over EU". The content of the articles did nothing to soothe my ire. The *Financial Times*, normally more temperate, claimed that I had warned the Prime Minister that I would be willing to "defy the party line and vote with Labour if the leadership's drift towards Euro-scepticism continued". The *Independent* was virtually alone in ignoring this wholly spurious tale.

Such reporting amounts to a gross misrepresentation of what I actually said in my interview with John Humphrys, as anyone who watched it will be aware. My position was, and is, quite simple. In the entirely hypothetical event, put to me by the interviewer, of there being a Labour government which was putting forward sensible proposals for the future of Britain in Europe, I said I hope that other Conservatives would give them a fair hearing as well, and put the national interest before the usual party battles.

What this emphatically does not mean is that I am intending to vote against the present Conservative government on European matters, nor indeed on any other matters. I have always supported this Government and I will continue to do so. It is true that I wish the Government had more that is positive to say about European Union, and rejected more in our role in it. However, I have not the slightest intention of voting against the Government while it continues to support Britain's membership of the Union, and our role in its development. Nor did I say that I found the Labour Party's policy on Europe to be more congenial to me than the Government's. Indeed, despite the promptings of my interviewer, I refused to be drawn on this issue.

While Labour politicians have spoken warmly of Europe, the entirety of our post-war history suggests that we should not regard this as a *passive* or even permanent conversion. The Labour Party has a dismal record on Europe, both in and out of office. The Attlee government's refusal to participate in the Schuman Plan, which laid the foundations for the European Community, was primarily responsible for leaving us isolated from the Continent. Harold Wilson's gyrations were equally destructive of British influence, conveying the impression that Britain was not committed to Europe, and favoured it only out of opportunism. It is too early to be sure of Tony Blair's commitment to the European



Yes, me: Edward Heath shares a common party platform in the campaign for the 1975 referendum on Europe

Union. None the less, his endorsement of the Labour leadership's anti-Common Market platform in 1983, as well as his general political style, suggests that his view on Europe may be as liable to change as those of Harold Wilson and Neil Kinnock. The Conservative Party, which has been in power for two-thirds of the post-war period, has been consistent as a party of Europe.

Because of this deep-rooted and long-standing support for Europe within the Conservative Party, I believe that the hypothesis put to me by Mr. Humphrys — that of a pro-European Labour government faced with an anti-European Conservative opposition — is highly unlikely to arise. Nor would I wish it to.

The point I wished to make in answering the question as I did is that matters of supreme national interest must override partisan boundaries. This is hardly a sensational pronouncement. That it should be seen as such reflects not just on the nature of the reporting in question, but also on the erosion of statesmanship in the House of Commons over the past two

decades. The adherence to principles and the pursuit of national, as opposed to party, interests have become so unfashionable these days, that the great figures of our history would scarcely find comfort, let alone adulation, were they to operate in the present political climate.

Europe has always been an issue which I have regarded as being above

ment can exist at a purely national level. Our Empire has gone, and in 1997 our last major overseas territory — Hong Kong — will have gone. We can still play a positive and influential role in the development of the free world — but only as part of Europe.

Secondly, if Britain is to gain the maximum rewards from its membership of the European Union, a constructive commitment to Europe must exist across a wide spectrum of opinion. Our colleagues in Europe are not impressed by confused signals about our commitment to the Union. Nor are our industrialists or potential investors impressed. This is not, of course, to say that debate should be stifled, but merely to emphasise that a polarised attitude to Europe is unlikely to result in a coherent and long-term appraisal of British interests.

There is a strong pro-Europe majority in the House of Commons, which is only prevented from emerging clearly by party manoeuvrings. Until it does emerge, international confidence in our intentions will be damaged. Almost all the other mem-

bers of the EU broadly accept that European integration is in their national interest; as a result, they are able to focus domestic debates on the important questions of "how" and "when", not on what they regard as the rather redundant one of "whether".

These are not merely hollow words, rhetoric without fulfilment. The dilemma of party interest versus national interest was one that confronted me on several occasions during my 10 years as leader of the Conservative Party. One such occasion was in May 1967 when the House of Commons voted on the Labour government's policy of applying to join the Common Market. Though the method of application was deeply flawed, and I was aware that party capital could be made by embarrassing the government, I asked all Conservative members to support the government's policy. As I told the House: "We on this side of the House are backing the government's application. I wish that to be known everywhere. This clearly demonstrates that the great majority of the House of Commons are backing it also. What is important at this juncture is that this is all history and must make its own impact on Europe."

John Major and his government have rightly welcomed the support of Mr Blair and his party over the peace process in Northern Ireland. Labour may have put party interest above national interest when voting on European matters, but I do not believe that the Conservative Party should do the same if Labour comes into power and is right about Europe. For the record, I issued a statement explaining all of this and clarifying what I said on Sunday to avoid any further misrepresentation. It was ignored by every newspaper, so far as I could see.

When I am accused by Euro-sceptics of threatening treachery, and of conspiring with Labour on Europe in order to embarrass a Conservative government, I am torn between anger and scorn. My own conduct on Europe and my support for John Major have been honourable and consistent. It is the Euro-sceptics who voted on the Maastricht Bill both against their principles and against their own party and government, and then queued up to join the campaign against John Major in the summer. Regarding interviews by me or anyone else in future, I suggest that my Euro-sceptic colleagues might watch them before commenting on them. The future of this country in Europe is too important for all these trifles to put it at risk in any way. Let us get back to a serious, intelligent debate about the choices that lie ahead.

The writer is Conservative MP for Old Bexley and Sidcup.

ANOTHER VIEW Robert Rendine

## Why did Branson sit on bribe story for so long?

On *Panorama* on Monday night, Richard Branson made remarks that were clearly grossly defamatory, accusing our chairman, Guy Snowden, of attempting to bribe him to drop his bid to run the National Lottery. Mr Branson has a lot of questions to answer. Why didn't he make these allegations immediately? Then he could have caused a great deal of damage to Camelot's bid. Why did he not pursue the alleged bribery to Oflot, the lottery regulator, when the bids were made?

He claims he offered to complain to Peter Davis, the director-general of Oflot. Mr Davis says this never happened.

A closely researched book about Mr Branson published this year contains a detailed account of the lunch with Mr Snowden, yet contains no mention of any bribery attempt. In fact, the suggestion is that Mr Snowden tried to frighten the Branson team from bidding.

Why did Richard Branson not go straight to the police? Surely, as a cit-

izen of the United Kingdom, he had a duty to report any wrongdoing? Yet he waited two years before unveiling his story on television — surely an inappropriate place to make such serious allegations.

I would like an answer from Mr Branson to all these questions. At the moment his allegations are tainted by the way they have been made.

We at Gftech are considering whether to sue. As Mr Branson has taken two years to emerge with his damaging story, we surely deserve

a few days to consider our response.

As for the flights that we provided for Peter Davis when he visited the United States, everything was in strict accordance with all the laws, rules and regulations. There was nothing improper at all. Mr Davis, at his request, flew to five cities in three days, visiting Gftech sites and our competitors. There is simply no way he could have covered so much ground so quickly on scheduled flights.

Since the lottery was introduced in

Britain, lottery-bashing has become a favourite pastime of some sections of the media. Camelot — in which we hold a 22 per cent stake — is attacked for its great success. I discount those attacks because I think those who matter are the people who play the lottery — and virtually everyone in Britain is joining in, at least occasionally, to have a little flutter. That's what really matters.

The writer is director of public relations for Gftech.

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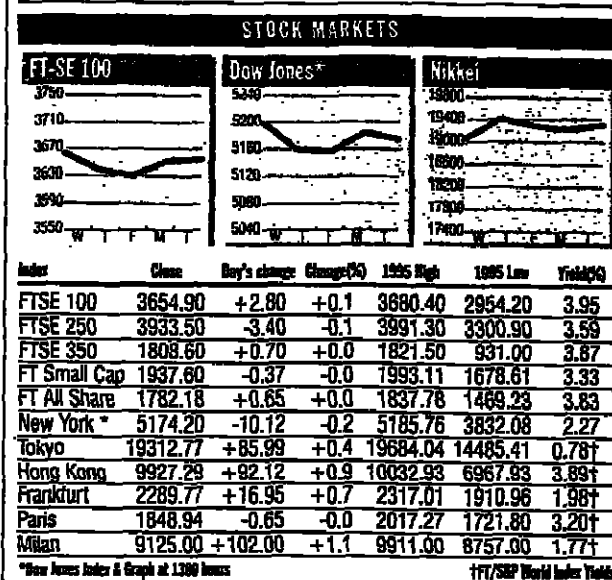
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## MARKET SUMMARY



## Halifax hand-outs to benefit 100,000

NIC CICUTTI

Up to 100,000 mostly elderly Halifax Building Society members whose partners have died stand to gain up to £100m in payouts following the society's decision to opt for bank status.

The share hand-outs, announced yesterday, will go to second-named persons on joint Halifax savings or mortgage accounts, mostly benefiting women whose husbands die before them.

Heirs also stand to gain from the bonanza. Halifax plans to hand over shares worth an average of about £800 to "personal representatives" of former account-holders or borrowers.

Halifax's move aims to avoid the debacle faced by Cheltenham & Gloucester when up to 5,000 of its members were initially refused a share of the £1.8m payout when C&G was taken over by Lloyds. Their battle forced the Government not to oppose a bill from the Tory

MP Douglas French for them to receive a share of the Lloyds takeover money.

David Gilchrist, general manager at Halifax, said: "We have been able to use provisions in the Private Members' Bill, passed earlier this year, which enabled the C&G to make payments to its own widows."

"We have made no secret of the fact that our preference is for an across-the-board distribution for the bulk of the shares transfer, with an additional vari-

able distribution to members." The exact details of how and when the distribution will take effect have not been decided.

The shares handed out will depend on Halifax's value when de-mutualisation takes place in mid-1997. Analysts suggest Halifax could be worth up to £10bn, with 10 million account-holders able to benefit.

The society's announcement means second-named account-holders whose partners have died will receive a basic share

hand-out if their partners held at least £100 in either a Leeds Permanent or Halifax account before midnight on 25 November, 1994. Additional shares will be distributed if the account was held continuously for two years at the conversion date and the balance is at least £1,000.

Unlike the C&G payout, almost two million borrowers will also gain as long as they owed at least £100 on 25 November last year and remain borrowers until conversion.

Where a borrower has died in the past year and their partner had an endowment available to pay off the mortgage, Halifax staff have been advising them to leave some of the debt unpaid so they can gain from the de-mutualisation.

If a sole holder of an eligible account dies, their heir will receive the basic distribution. Should they have been a member for two years, they will also get the additional variable amount of shares.

## Exchange to launch Amec share inquiry

MAGNUS GRIMOND

The Stock Exchange is expected to launch an insider dealing investigation into the trading of Amec shares following a takeover panel ruling that price-sensitive information was given to the market by the company's public relations advisers, Financial Dynamics.

A director of Financial Dynamics, believed to be the chairman, Tony Knox, is alleged to have given the profit information to one analyst unconnected with the £350m bid for Amec by Kvaerner of Norway. Financial Dynamics last night said it fully understood its obligations to meet takeover rules but would make no comment on the identity of the director involved.

Following the panel's criticism, Amec last night sacked Financial Dynamics and replaced them with rivals Dewe Rogerson. Amec shares were unchanged at 100p.

As one of the key advisers to the construction group, FD was likely to be aware of the company's own predictions of next year's results. The prospects of a profits recovery next year have formed a central plank in the group's attempts to fend off Kvaerner, but no actual figures have been officially revealed.

The panel became concerned following apparently well-informed speculation in the week-end press about the level of 1996 profits. The panel's investigations forced the company into making a statement on Monday. That dissociated the Amec board and its all its advisers from any such leaks.

The panel says its executive "requested and received specific written confirmation from Amec and its public relations advisers, Financial Dynamics, that no such information had been made available or implied by any statements made to third parties."

NatWest Markets, merchant bank advisers to Amec, also confirmed that the company and all its advisers had been briefed on the requirements of the takeover Code, which forbids important information being passed on without being made available to all investors in the market.

But the panel says that in a conversation last Friday between an FD director and the unnamed broker, certain comments were made relating to the level of Amec profits for 1996. The panel says this "would have constituted material new information which was not public and was not capable of being made public without being prepared and reported on in accordance with the strict requirements set out in the Code."

It added that the conversation with the FD director also included unpublished parts of the defence strategy and the contents of the defence document not due to be issued for several days. The executive ruled that FD "failed to take sufficient care in its discussions with analysts which resulted in serious breaches of the Code and is criticised accordingly."

The bidder yesterday upped its stake in its target by 2.4 per cent, taking it to 24 per cent.



Cable crew: Granada's executives (from left) Henry Staunton, Gerry Robinson and Charles Allen. Photograph: Peter Macdiarmid

## Granada to unveil cable venture

JOHN SHEPHERD

Granada Group, deeply immersed in a bitter £3.3bn takeover fight for Forte, will today announce a significant expansion of its LWT television subsidiary.

The plans involve LWT launching at least three new cable channels in a joint venture with BSkyB, the television company controlled by Rupert Murdoch in which Granada has a 10.8 per cent £780m stake.

The three channels will offer drama, light entertainment and soap operas. Industry sources added that the deal with BSkyB would involve back catalogues of programmes such as *London's Burning*.

There was a separate industry rumour that back editions of *Coronation Street*, produced through Granada, might form part of the package.

Media analysts said the deal was unlikely to have a direct bearing on the bid for the Forte hotels group, although it would highlight the revenue-earning potential of Granada's television businesses and its ability to reduce debts if its bid succeeds.

Granada's shareholders yesterday overwhelmingly supported the board's aggressive move launched against Forte three weeks ago. Only two out of 80 shareholders at the extraordinary general meeting voted against, and only 0.4 per cent of the millions of proxy

cards sent in disagreed with the move.

Only one question came from the floor. John Buckley, a small shareholder, was concerned that the company might have to recall investors again to ask permission to increase its bid. He asked: "Like Oliver Twist, will you be coming again with your begging bowl?"

Alex Bernstein, chairman, replied: "I would just like to say that Oliver Twist had a happy ending."

Gerry Robinson, chief executive of Granada, used the meeting to launch a further attack against the "mismanagement" of Forte under the leadership of Sir Rocco Forte. A spokeswoman for Forte,

which yesterday announced the £2.2m sale of a hotel in Liege, and a successful planning appeal for the redevelopment of the Polygon hotel in Southampton, said: "Gerry's not coming out with anything new."

According to industry sources Forte will announce a much larger disposal by early next week. The sale is understood to be the White Hart chain of hotels to a £130m management-led buyout.

Granada has complained to the Takeover Panel about Forte's plans to sell chunks of its business. The company believes the disposal programme should be put on hold until the outcome of the bid is known. City Diary, page 20

## IN BRIEF

### Cable & Wireless appoints Hoare Govett

Cable & Wireless has appointed Hoare Govett as joint broker with Cazenove, fuelling speculation that the company expects a bid. Cable & Wireless was thrust into disarray last month by a vicious clash between Lord Young, chairman, and James Ross, chief executive, resulting in the departure of both men. One City analyst pointed out that Cazenove is also a broker to BT, which has been rumoured as a potential suitor for C&W. Shares in C&W, which said that it wanted the addition of a "more research oriented" house, rose by 5p to close at £4.46.

### Pearson ahead as City awaits shake-up

Shares in Pearson, the media group that owns the *Financial Times*, jumped 10p to 67p in early trading yesterday as the City braced itself for sweeping boardroom changes at the publishing and television empire. The company is expected to clarify the succession question today as Frank Barlow, the company's 65-year-old chief executive, is approaching retirement. Greg Dyke, head of Pearson's television interests has emerged as a favourite in the City to take the top job. It will also announce a new finance director, with John Mackinson, managing director of the FT, replacing James Joll. Pearson's shares closed up 7p at 66p.

### Rules relaxed for 'home service' insurers

The Personal Investment Authority, the financial services watchdog, is relaxing its rules forcing thousands of "home service" insurance sales staff to take tough exams before they contact their clients. Home service staff, selling a narrower range of products, will now be allowed to take a less onerous test. The rule change is expected to benefit Prudential and Pearl, who employ the bulk of home service staff.

### MPs want Irish steel aid blocked

A group of mainly Labour MPs will today challenge the Government to block aid for the Irish steel industry which most European Union member states have approved, arguing that it will cost hundreds of British jobs. Tim Eggar, minister for energy and industry, will appear this morning at the debate on the issue by European Standing Committee B. So far he has argued that stringent conditions should be attached to any aid to minimise the risks to employment in the UK.

### Date set for BCCI extradition hearing

A provisional date of 15 and 16 February 1996 has been set for the hearing of the US extradition request for the former treasury head of the collapsed Bank of Credit and Commerce International (BCCI). Syed Ziauddin Ali Akbar was sentenced to six years in prison in 1993 in the UK for his part in the misuse of more than \$1.2bn. He appeared in court to hear the date being set and will appear again on January 9 for a further preliminary hearing. Bail was not granted.

### Waste Management warns on profits

Waste Management International, the American-owned waste disposal group, issued a profits warning yesterday, blaming weak trading and problems in strike-bound France. The company is to cut 300 jobs and will record a £123m exceptional charge to cover a restructuring programme. The changes follow a review of operations and management structure undertaken since Joseph Holsten was appointed chief executive. The company is to abandon some hazardous waste treatments which are uneconomic. The shares fell 23p to 346p.

## Skipton cuts mortgage cost

Skipton Building Society, which stunned the mortgage market earlier this year by offering free unemployment insurance to its borrowers, yesterday unveiled the cheapest variable rate repayment mortgage of Britain's top 20 societies with a figure of 7.49 per cent, writes Nic Cicutti.

The decision cuts about £11 off the cost of an average £50,000 mortgage. The society has also moved to narrow the gap between mortgage and savings rates even further by increasing rates paid to some instant access account savers.

Skipton has added a new tier offering 6.5 per cent gross on savings above £30,000 and pledged yesterday that even if it were forced to cut rates to its 300,000 savers it would try to do so by less than other lenders.

John Goodfellow, chief executive at Skipton, yesterday challenged other lenders to follow his example. "Our current

profitability is strong and this is set to continue throughout 1996," he said. "Our capital position is strong and I believe that now is the appropriate time to reduce margins for the benefit of all our members."

The move to cut 0.5 per cent off the existing rate will come into effect for the society's 60,000 existing borrowers on 1 February next year, one month after other lenders, who cut their own recently. But Skipton claimed that the difference in starting dates would only add a fraction to borrowers' bills. David Charlton, assistant general manager at Skipton, said falling bad debt provisions for societies meant that all should now be prepared to lower their margins further.

Skipton's move came amid hints that lenders will not raise mortgage rates even if Kenneth Clarke, Chancellor of the Exchequer, does not lower base rates later today.

## BP boss backs single currency

PETER RODGERS

Europe should move to monetary union on schedule, a top-level Brussels advisory committee including Sir David Simon, chairman of BP, warned yesterday.

The committee's report was far more committed to monetary union than British business as a whole which, according to a joint CBI and British Chambers of Commerce report last month, would prefer to keep options open and decide nearer the time.

The European Commission's Competitiveness Advisory Group, made up of senior business people and trade unionists, said completion of the internal market was an absolute priority to enhance competitiveness.

Further progress on the internal market required that "European monetary union be fully implemented as scheduled. Many of the benefits bestowed by an integrated internal market can materialise only with the introduction of the European currency."

The report, commissioned by Jacques Santer, president of the European Commission, has been published ahead of the Madrid summit of European leaders. The group's first report was published before the Cannes summit.

Introducing the report, Sir David said his personal support for monetary union was conditional on convergence between European economies and on having a single market as the goal.

The committee said monetary union would avoid exposing trade inside Europe to sudden

gyrations in exchange rates. The benefits for all countries "irrespective of the present condition of their currency will be greater the higher the number of participating member states."

The ambitious targets within the Maastricht treaty were now within reach and any delay or postponement "could drive them further away, with the risk of losing them, as well as jeopardising the work of decades, with the resurgence of the danger of nationalistic attitudes and demands."

## Health effect of Compass sell-off

Compass Group has sold its healthcare division in a £178m deal that could make the top 50 managers of the business millionaires, writes John Shepherd.

Senior and middle management are being offered the chance to take a 10 per cent equity stake for a total outlay of £500,000 by CINVen, the venture capital group that is buying the business.

The healthcare company, which operates 15 private hospitals and no longer fits the global expansion strategy of the contract catering core of Compass, is headed by Nigel Harris.

CINVen is paying an initial £170.8m, and will repay a £8m loan after 8 years or before if the business is either sold or floated on the stock market. The venture capital company also has plans to recompile some of the purchase cost by selling small equity stakes to other investors.

Roger Matthews, finance director of Compass, said the sale would help to cut the group's

£442m of debts amassed over the last couple of years from the purchase of Canteen Corporation in the US for £300m and the recent £500m acquisition of Eurest in France.

Shares in Compass yesterday rose 5p to 450p in a lacklustre stock market. Compass will also book a profit of up to £25m on the deal, relating to the writeback of goodwill and the surplus over the carrying value of the hospitals in the books.

Francis Mackay, chief executive and deputy chairman, said the disposal was a natural extension of Compass's strategy to focus on catering.

Simon Rowlands of CINVen, which recently conducted its own management buyout, said it would continue to reinvest in the hospitals at a rate above depreciation. The hospitals made £16.4m of profits on turnover of £69.7m in the year to 1 October. Depreciation equates to 7 per cent of sales, almost £5m.

INDEPENDENT

## Special Reports Diary 1996

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Other regulators in gas, electricity and water are beginning to talk of opening up the regulatory process. Ofot may find it needs to do that, too

## No danger to Camelot's licence to print money

Ever since its launch, the national lottery and its operators, Camelot, have been bathed in controversy. Try as it might, Camelot - a consortium of Cadbury Schweppes, De La Rue, Gtech, ICL and Racal - has been unable to win the public relations battle. The regulator's careful demonstration that Camelot offered the best returns to good causes because of its lower operating costs was largely ignored. A National Audit Office report in July, which said the evaluation process was comprehensive, logical and competitive and that Camelot offered the highest returns to charities, also failed to dampen public doubts. Set against its leading rival, Richard Branson, who promised to give all his profits to charity too, Camelot was always going to be on a hiding to nothing.

The latest shenanigans have put the lottery's problems onto an altogether different plane. Allegations by Richard Branson of attempted bribery and furious denials by Gtech have been followed by an admission by Peter Davis, director general of Ofot that he accepted a free flight while visiting Gtech. The latter was at best unwise and naïve, but it would not be enough in itself to impugn his integrity. Direct allegations of corruption, however, raise very real concerns both about Ofot itself and about regulation of private sector monopolies generally.

Mr Davis is in effect a government department of his own, with powers inde-

pendent of ministers, sitting secure in a blanket of secrecy and confidentiality, which he used on Monday to fend off awkward questions about how much he knew about Gtech. That is hardly a way to inspire public confidence in the decisions Mr Davis took last year.

Other regulators in gas, electricity and water are beginning to talk of opening up the regulatory process to public scrutiny. Ofot may find it needs to do that, too. If it is to carry the public and parliament with it. Better still, the load should be taken off one person and shared with a committee.

Ofot also has some pretty tough powers it can use against Camelot, including the ability to revoke its licence. Furthermore, it can force shareholders to bow out by finding them not fit and proper. These are, however, nuclear weapons, so dramatic that they are hard to use because the aggrieved party is entitled to demand the highest standards of proof and can pursue appeals through the courts. Regardless of who is right or wrong in this particular spat, therefore, the case is now almost overwhelming.

### Time to get tough with Lloyd's market players

Lloyd's of London needs all the friends it can get. So it was with an audible murmur of surprise that the beleaguered establishment at Lime Street reacted to

unexpected words of support for the insurance market's rescue plan from Chatset, the independent analysts. In the past, as Lloyd's condition turned from dire to disastrous, Chatset made its name for regularly laying bare, with figures and sharp analysis, the obfuscation, half-truths and downright lies behind which the insurance market sought increasingly to hide.

Now it has concluded that the rescue plan, and in particular the offer to Names to put a final cap on all their old liabilities by re-insuring them in a special company, Equitas, is the best way forward.

The 34,000 Names, most of whom have ceased trading in the market - but are still having to pay for their old liabilities as they role in year after year - are being offered a stark choice. Find sufficient money now to pay one last bill, the premium to re-insure all the old policies into Equitas, and finally win peace of mind. Or take their chances with the uncertainty of bills that continue to roll in, as Lloyd's is forced to shut its doors to new business and just manages all its old liabilities.

Chatset's support for the former option as the cheapest way out for long-suffering Names is something of a weathervane. It lends further credence to the view that a majority of Names just want an end to the nightmare and will give their backing to a reasonable settlement deal. But Lloyd's still has to deliver that deal. The timetable continues to slip and negotiations with key mar-

ket professionals meant to be contributing to the settlement drag on and on. Lloyd's should not just take comfort from Chatset's support, but also carefully heed the warning that it is high time to get seriously tough with the key market players. Their niggling over paying into the settlement pot has been the main reason for the hold ups. And yet it is they who stand to lose most if Lloyd's goes down.

### A tax system that needs to be clearer

Trying to make our excessively complicated tax system easier to understand is a noble and no doubt worthwhile cause. Certainly tax experts everywhere gave a broad welcome to yesterday's report on simplifying the legislation. Complex language and rules put an excessive burden on personal and corporate tax payers alike.

However, although the project is undoubtedly far-ranging - it involves more than 40 people spending five years on a complete rewrite of the legislation - it is difficult to see what will be achieved from this alone, apart from a crystal award from the plain English campaigners.

The document and the supporting paper produced by the Revenue form just one part of a general push to reform the tax system. The latest development comes just a few weeks after the Tax Law Review Commit-

tee, which includes a seconded Revenue official among its membership of parliamentarians, lawyers, academics and tax practitioners, came to much the same conclusion - that the tax system needed to be clearer if it was to be properly understood. Meanwhile, Peter Wyman, a tax specialist at the accountants Coopers & Lybrand, has recently agreed to head a Department of Trade and Industry deregulation task-force group which is looking at moving towards a merger of income tax and National Insurance.

What none of these manoeuvres deals with, however, is the growth in tax avoidance, which has become a booming industry despite the assertion that Britain's low rates of tax are a disincentive to spending a lot of money on tax advice. The complexity of the tax system is fertile soil for this blossoming profession.

The Revenue has got that front covered too, however. A consultation paper which was slipped out a few weeks ago is seeking views on whether Britain should follow the likes of Canada, Australia and New Zealand in introducing a general anti-avoidance provision.

Practitioners are convinced that such a measure - centred on the idea that transactions carried out solely for tax reasons are barred - is unworkable. But just because they have got their way on simplification does not mean their views will prevail on that issue too.

## 1,000 jobs to go in Northern Electric efficiency drive

MARY FAGAN  
Industrial Correspondent

Northern Electric will cut up to 1,000 jobs by the end of the decade in a continued efficiency drive which has already reduced the workforce by 1,700 since the company was privatised. At the same time Scottish Power said it would save 350 jobs over the next 12 months at Manweb following its acquisition of the electricity firm.

The Labour party attacked the moves as the "latest utility jobs massacre". Jan McCartney, Shadow Employment Minister, said: "These latest job losses come on top of more than 42,000 jobs already cut in electricity companies since the privatisation process began in 1990."

He added: "Cutting staff may give quick fix to the balance sheet, but it does not necessarily improve service to the consumer, who also ends up paying for former utility employees to be unemployed."

One City analyst said that the planned reductions at Northern are an "interesting pointer" for the rest of the industry. "Most of these companies are still over-manned and under-managed," he said.

David Morris, Northern's chairman, said that 200 jobs

would go both this year and next, with natural wastage then reducing the workforce each year by "approaching that number". He added: "Our task is to make ourselves as cost effective as larger players and clearly that is an uphill task."

Mr Morris said that the company has had approaches from a number of foreign suitors since the lapse of a hostile bid by Trafalgar House earlier this year but that there have been no "serious discussions". He hinted, however, that the company would be interested in merging with another regional electricity firm, but added: "We are happy to remain independent. What we are about is giving value to our shareholders."

He was speaking at Northern announced a fall in pre-tax profits to £58.7m in the first half of the year from £63.4m in the same period last year. The fall was partly due to the £2.9m cost in advisors fees of issuing special dividends and preference shares as part of the company's package of shareholder sweeteners offered in defence of the Trafalgar House bid.

The results were also distorted by higher interest charges after a share repurchase and a non-recurring property disposal in 1994. The interim dividend

of 12p represents an underlying increase of 7 per cent over last year. The company's shares closed unchanged at £5.83.

Mr Morris said that future growth prospects will come both from improved efficiency and from unregulated businesses, including gas production and retailing, power generation and supply of electricity to commerce and industry.

Separately, National Power and PowerGen received a filip from the industry watchdog, Professor Stephen Littlechild, who said that he would not extend the price cap in the electricity trading pool beyond March 1996.

The cap was imposed in early 1994 because of his concerns about lack of competition. But recently PowerGen agreed the £500m sale of two power stations to Eastern Group, now part of Hanson. National Power is also on track for power stations disposals.

The statement by Professor Littlechild comes as the Monopolies and Mergers Commission prepares to start an investigation into the £2.8bn bid by National Power for Southern Electric and PowerGen's £1.9bn proposed takeover of Midlands Electricity.

Investment Column, page 20

### Casino crunch: Stakis shrugs off drop in gaming profits



Dealit a poor hand: The Glasgow-based group blamed the National Lottery, hot weather and entrance charges for its 7 per cent decline in casino profits to £11.7m last year. But Stakis recorded a 28 per cent rise in overall pre-tax profits to £25.8m. Investment Column, page 20

## 20 millionaires in Goldman bonus payouts

JOHN EISENHAMMER  
Financial Editor

Goldman Sachs and Morgan Stanley launched a storming debut to the City bonus season yesterday with a handful of top executives at the US investment banks each collecting bonuses around £1.5m. Even the cleaners at Goldman have received 20 per cent on top of their basic salary, in celebration of what has turned out to be a vintage investment banking year.

About 20 senior Goldman staff in London, working at executive director level in all the main sectors of the bank's activity - equities, mergers and acquisitions, fixed income and derivatives - were told yesterday that they will be millionaires by Christmas, earning bonuses close to £1m on top of their salaries. A few of the top business bringers have been awarded bonuses well above that level.

The 33 partners in London, who make up the elite of the privately owned investment bank, do not receive bonuses but rather a share of the profits which is credited to their capital accounts. This pays interest, but the accumulated amount can only be cashed in when the partner retires. The partners will have to wait until the end of the year before

getting final notice of their share of the 1995 bonanza.

But the extent of the improvement in the bank's fortunes can be judged by the more than doubling of the firm-wide bonus for what Goldman calls its support staff.

This has risen to 20 per cent of basic salary, as against just 8 per cent in the exceedingly difficult 1994, when many of the US houses took a severe hit in the turbulent American bond markets. But both Goldman and Morgan Stanley yesterday said that, while the bonuses reflect the marked improvement in investment banking fortunes, they are still some way off the heights reached in the frenzied bull market of 1993. In that year, firm-wide bonuses were 30 per cent of basic salary at Goldman.

While the securities side of the businesses has struggled for much of this year to make its mark, the burst of mergers and acquisitions activity across Europe, and the high fees it has generated, has powered investment banking and the City back to the top of the high earning league.

All those houses with strong corporate finance departments are looking forward to a substantial jump in their rewards.

## Plain English to tax Revenue

ROGER TRAPP

The Inland Revenue plans to devote a 40-strong team to a five-year project to rewrite 6,000 pages of tax legislation into plain English with the aim of making it easier to understand.

The move, confirmed yesterday by Michael Jack, the Financial Secretary to the Treasury, is a response to criticism of the complexity of the tax system in the run-up to the introduction of self-assessment. It follows the publication of a Revenue report, *The Path to Tax Simplification*, which suggests that making the language of the legislation simpler will reduce compliance costs for business and individuals.

Mr Jack said, in answer to a parliamentary question, that the development fitted in with

the Government's deregulation initiative, the approach of self-assessment and continuing efforts to improve service, quality and cost-efficiency.

The development was broadly welcomed by tax practitioners who have argued that the complexity has made it difficult for them to advise their clients.

Ian Barlow, head of tax at the accountancy firm KPMG, said: "Business is finding it increasingly difficult to understand tax legislation. But simplification will provide more certainty and so reduce costs. This will help businesses and the economy as a whole. Practitioners will be able to advise their clients on their business plans much more effectively if tax law becomes clearer."

However, there are doubts about whether the plans will come to fruition. Gerry Hart,

president of the Chartered Institute of Taxation, which has been heading the reform campaign, said that the scale and cost of the project - estimated at several million pounds - might lead to it being abandoned if there were a change of government.

When Kenneth Clarke, the Chancellor, made a commitment to the plan in last month's Budget, Philip Davis of accountants Ernst & Young said it was "particularly disappointing" that the speech contained no real attempt to reach the goal of simplification.

Tax legislation has grown from a mere 180 pages at the end of the First World War to 345 new pages of new law in the 1994 Finance Act alone. The amount of legislation this year is expected to be on a similar scale.

Wholesale rewrites of tax legislation have already been undertaken in Australia and New Zealand. And the Revenue project is expected to take much the same approach of revising the structure without changing the policy.

Investment Column, page 20



Michael Jack: Plans fit in with deregulation initiative

## Lloyd's rescue plan 'best bet for names'

Lloyd's of London's rescue plan for the insurance market received unexpected backing yesterday from a persistent critic, writes John Eisenhower. Chatset, the independent analyst, said in its annual report: "What Names must understand is that the alternative to Equitas is grim."

Equitas will take over responsibility for asbestos and pollution liabilities that have brought ruin to many Names. The total premium, to be divided among some 34,000 Names, will be about £1.9bn.

Charles Sturge, managing director of Chatset, said the bill that Names will face from Equitas - finally putting a cap on their losses - still looked the cheapest option.

"The overall loss bill facing Names just for the last two years has amounted to £2.6bn. Against that we think a £1.9bn total Equitas call looks pretty reasonable. If Names are offered finality, it seems a lot cheaper than having £1bn losses lobbed at you for the next 10 years," said Mr Sturge.

He did warn Lloyd's, however, that it was trying to force through Equitas on the cheap. The market professionals - managing agents, brokers and those who insure them - should contribute about £700m more, Chatset suggested, since they depended on its survival. "All of these groups have a considerable interest in keeping Lloyd's alive," said Mr Sturge.

Comment, page 19

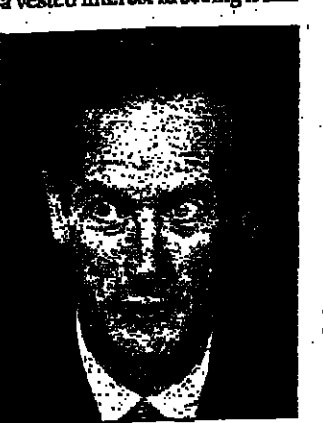
## Greenbury supporters turn guns on critics

PETER RODGERS  
Business Editor

Tim Melville-Ross, director general of the Institute of Directors, yesterday warned critics of the Greenbury Committee on top pay to stop fighting key recommendations and to support the whole of the report rather than undermine it. Mr Melville-Ross, a leading member of the committee, said: "Tinker with bits of it and you will undermine the whole."

His decision to go public is the highest-profile development in a campaign by committee members against a rear-guard action from boardrooms to modify the Greenbury proposals, especially those on long-term incentive schemes and pensions disclosure.

Last month Geoff Lindey, the pension fund representative on the committee, attacked "powerful voices" which he said had a vested interest in seeing it fail.



'Mutterings': Tim Melville-Ross of the IOD

Sir Richard Greenbury is also understood to be conducting a private campaign at senior levels to defend his report.

Mr Melville-Ross put himself into direct opposition to his own president, Lord Young, the former chairman of Cable & Wireless, who called recently for an end to over-regulation of the boardroom.

Mr Melville-Ross said: "We spent a long time trying to get the balance right. Not every member of the Greenbury Committee agreed with every detailed recommendation, but we all subscribed to the whole. The result should be recognised for what it is - an important step forward and an important bulwark against wholly unacceptable legislation."

In an interview with the

*Independent* amplifying remarks in a speech last night to the Institute of Chartered Secretaries, Mr Melville-Ross said there were a number of issues where there was backsliding from Greenbury, both formally - in the drafting of new Stock Exchange listing rules - and informally, when meeting people "at City cocktail parties".

The Exchange is responsible for changing its rules to take account of the Greenbury recommendations. Mr Melville-Ross said one concern on the listing rules was the Exchange's draft proposal that shareholders should vote on long-term incentive schemes only when they covered periods of three years or more.

The report said there should be a vote on anything longer

than one year but the Exchange's proposal "with the best will in the world" was an incentive to companies to pitch incentive schemes between one and three years, and prevent consideration by shareholders.

He also attacked the Exchange's definition of long-term incentive schemes, but for being wider than the committee intended, catching pensions as well. "The way long-term incentive schemes are being defined in the draft listing proposals appears to catch other things as well," he said.

The committee proposed tough disclosure rules for pensions based on the increase in value to a director each year, but asked the institute and faculty of actuaries for a recommendation about how to calculate

this. The proposal caused a storm because it will show enormous annual pension values when directors receive large salary increases.

Mr Melville-Ross attacked an attempt to water the actuaries' calculations down by averaging the value of pension increases over a number of years, which he said was "not to hide but to smooth the changes. I don't like the idea. If you are going to have a significant impact you ought to declare it and justify it to shareholders."

He said the informal "mutterings" against the report included claims that the committee had been too tough, for example in favouring one-year rather than two- or three-year contracts - although the report was worded to allow exceptions.

## finance & legal

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See pages 15 - 19 section two

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THE INVESTMENT COLUMN  
Edited by TOM STEVENSON

## A costly contest for Northern

Shareholders in Northern Electric will be cursing Professor Stephen Littlechild, the electricity regulator, for keeping it from the clutches of Trafalgar House. The shares have fallen 40 per cent against the market since the regulator stunned the sector in March by announcing a new review of electricity prices, the second within a year.

The move in effect put the kibosh on the £1.2bn bid from Trafalgar, which has since unveiled such a tale of misery that there is no realistic chance of it ever mounting a further bid.

Interim figures from Northern yesterday suggest another reason for shareholders to criticise Professor Littlechild. Gross profits fell £13.4m to £139m in the six months to September, mainly due to the first distribution price review last year, which tightened the cap on charges. The company did well to mitigate some of the effects of the review, cutting staff costs by £5.7m, but the biggest boost to slightly higher operating profits was the £1.1m cut in restructuring charges. At the pre-tax level, profits slumped from £63.4m to £58.7m.

The £2.9m costs associated with the company's "scorched earth" policy against Trafalgar – issuing a 100p-a-share special dividend and the bonus issue of preference shares – plus £3.4m in higher interest charges as a result of a share buy-back more than offset gains elsewhere. Meanwhile gearing has edged up a couple of points to 26 per cent since the year-end.

It cannot be denied that the company has delivered value to shareholders. It is passing through all the benefits of the interest in the National Grid, with investors not only picking up Northern's shareholding in the Grid, but the net dividends as well, worth 4.58p in these figures.

On top of that, the company is committed to pay another special dividend – expected to be 56.5p in February 1997 – and increase the ordinary payout by 7 per cent a year until the next century.

Based on the company's forecast dividend of 39.9p for this year, the shares, unchanged yesterday at 583p, stand on a prospective yield of 8.4 per cent. That looks high for what should be a safe earnings generator and 650p would put the yield on a more realistic level.

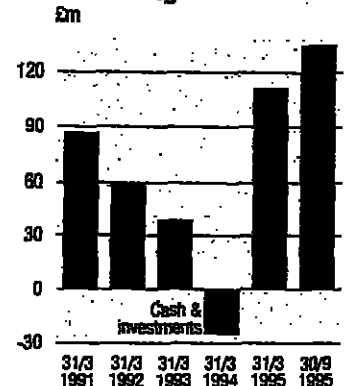
With "clean" profits set to reach around £109m this year, a forward price/earnings multiple of just 7 could tempt further bidders to enter the fray. The risks remain high, though. Gearing is set to soar to over 400 per cent by the end of the decade, if preference shares are included, and could stay high well into the next century. Still not one to chase.

## Northern Electric: at a glance

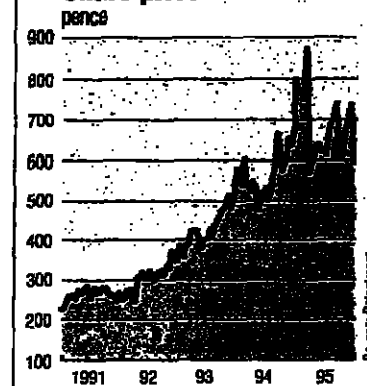
Market value: £697m, share price 583p

Trading record	1993	1994	1995	1994	1995
Turnover (£m)	883	1,031	1,081	401	430
Pre-tax profits (£m)	111	129	141	63.4	58.7
Earnings per share (pence)	78.3	90.2	99.2	43.8	46.8
Dividends per share (pence)	24.3	28.1	37.3	10.9	12.0

## Borrowing



## Share price



## Little to cheer at Vaux

Sir Paul Nicholson was getting pretty huffy on a range of subjects yesterday – the Lottery, beer duty – but especially the 14p fall in Vaux's share price to 252p despite a 9 per cent rise in profits for the year to September. The fall means the shares trade on a yield of more than 5 per cent, well above the market average.

He should hardly have been surprised by the reaction of the City, which was disappointed by the headline profit of £31.8m and a modest 3.6 per cent rise in the dividend to 10.2p. Analysts also had their worst fears confirmed by the curate's egg of a divisional split which showed buoyant hotels and managed pubs offset by Vaux's core tenanted pubs and its main diversification, nursing homes.

Vaux picked up a lot of its 792 tenancies recently as part of the restructuring of the brewing industry since the beer orders and it is becoming increasingly clear that it acquired an extremely mixed bag. According to the company's own estimate only a fifth of sales are through pubs it considers to be in a good location, in good condition and with good facilities.

That would not matter so much if most of the remainder were not in such poor locations that upgrading them is not a viable option. Buying a market for Vaux's brewery output seemed like a good idea but getting rid of a long tail of underperforming pubs is a heavy price to pay.

In Vaux's part of the world, the closure of the Durham collieries, a greater enthusiasm than elsewhere for the attractions of the National Lottery and a steady stream up the A1 of vans loaded down with illegal booze from the Continent, led to a 6.3 per cent decline in beer sales, a poor showing compared with a 4 per cent slide in the tied market as a whole.

In nursing homes, underlying profits were flat. Delays in registration of new residents meant that they were spending less time in the homes than was previously the case. Uncertainty over the funding of long-term care added to the uncertainty.

After sharply higher rents, however, profits slipped a worrying 14 per cent and it is not wholly apparent what Vaux has to offer that a specialist in the area does not.

These two problem areas took the shine off an impressive performance from Swallow Hotels, where occupancy increased to 68 per cent, equal to the best ever achieved, and profits grew a useful 25 per cent to £19.7m. Managed pubs, flavour of the month

in the City, increased 12 per cent to £7.6m although that is still only half the profit from tenancies.

On the basis of a prospective price/earnings ratio of 14, the shares are high enough, especially given the slow growth ahead. The shares should be supported by their high yield but they won't excite.

## Stakis returns a lesson for Forte

Latest figures from Stakis, the Glasgow-based hotel-casino group, give a clue as to just why Granada is so interested in Forte. Stakis squeezed close to a point of extra margin from its 41 hotels in the year to 1 October, taking the return on sales to just shy of 30 per cent.

Impressive in itself, that figure compares with the 17 per cent that Forte, the market leader, managed to extract from its hotel assets in its most recent figures. Although Forte should have been able to improve on that this year, there is clearly a lot more to go for, particularly in its Post House chain, which broadly competes with Stakis.

Conversely, it leaves the Scottish group with a problem created by its own success. The indigestion caused by over-extension in the 1980s has been cured by new management, taking the shares from a low of 21p in 1992 to a peak of over 90p, hit in April last year. But since the beginning of the year, they have underperformed the FT All Share by close to 20 per cent as the market questions where Stakis goes from here.

Yesterday's results provided only some of the answers. Pre-tax profits rose 28 per cent to £25.8m, on turnover 19 per cent ahead at £173m. Hotels provided the engine of growth, boosted by profits up 26 per cent to £31.2m on the back of rises in both occupancy and room rates.

The five units acquired during the year are all contributing and capital spending on the existing portfolio is being stepped up.

Meanwhile, as forewarned in October's trading statement, casinos did badly, with profits dipping from £12.5m to £11.7m, an underlying fall of £1.7m stripping out acquisitions. The fall in the "drop", the amount punters spend on chips, was blamed on the Lottery, the hot summer and visitor charges, which have now been withdrawn.

Group profits of £30m this year would put the shares at 79p, down 3p, on a forward multiple of 14. With the tax charge rising, Stakis faces slowing earnings growth and may need to find an acquisition to keep the City happy. Hold.

## Simon Pincombe CITY DIARY

## Corporate trauma is not over until the fat lady...

Lord Young of Graffham is spotted amid scenes of murder, mayhem and treachery. This time, however, the ousted chairman of Cable & Wireless is enjoying a performance of Puccini's *Tosca* at the Royal Opera House, Covent Garden – with the obligatory youthful female companion.

Not that it is unusual to see the former Cabinet minister and director of Salomon Brothers in the company of a bunch of prima donnas. The man who once boasted that he worked at C&W and lunched at Salomons is a director of the Royal Opera House Trust. Besides, a man needs a break from the rigours of negotiating a massive redundancy package.

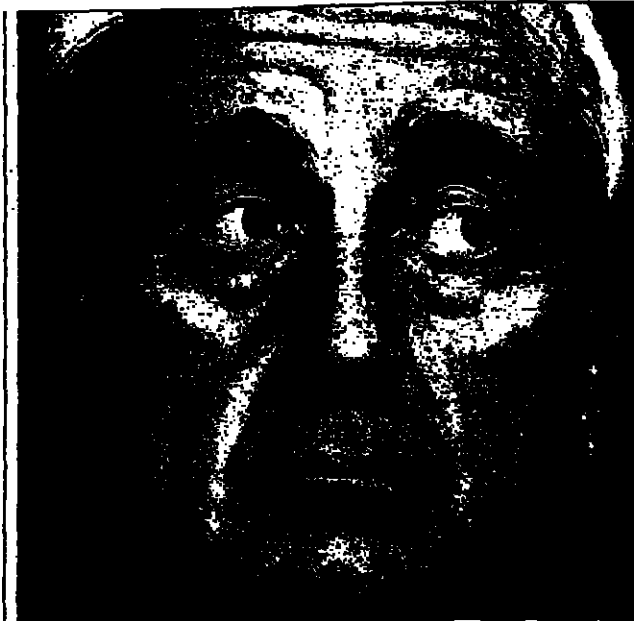
However, Lord Young was not the only outgoing chairman in the audience. Not eight feet away sat Michael Jackman, who on Monday stood down as chairman of Allied Domecq. Both looked suitably recovered from their respective traumas.

So! Only a piffing 0.4 per cent of the proxies cast at yesterday's Granada extraordinary general meeting were against approving the bid for Forte. Could this represent the combined voting power of Granada shareholders Sir Anthony Tennant, the Old Etonian chairman of Christies International, and George Proctor? Both, you understand, are on Forte's board. We should be told.

The feeling in accountancy circles is that the Inland Revenue is planning a series of benders over the festive season. Andrew Shaw, a partner with Kingston Smith, writes to tell us that the vamps have increased the tax-free

The San Francisco Airport Hilton continues to blaze a trail on the marketing front with a promotion that London can only dream about. The 527-room hotel is charging guests the same room rate as the lowest temperature in the city that day. Given that the West Coast temperature is often in the 40s at this time of year, it comes as no surprise that the exercise has proven a big attraction. The hotel's normal room rate is \$140 a day.

Not the sort of thing that the Hilton management can contemplate at Heathrow. It would have been paying guests £7 a night for the last week.



Among the prima donnas: Lord Young of Graffham deals with the difficulties of redundancy

limit for Christmas parties. Strictly speaking, any staff party gives rise to a taxable benefit for those attending.

However, the Revenue operates a concession where the benefit is not taxed if the expenditure on the bash is kept below certain levels. The £50-a-head limit is now raised to £75. And it gets better. The Revenue is now allowing companies to split the expenditure between more than one annual event, opening the way for tax-free parties throughout the year.

"No doubt the tax inspectors were planning their own Christmas parties and realised the costs involved," suggests Mr Shaw.

A courageous joke. The Revenue is not known for its sense of humour and the accountant can more than likely look forward to a thorough investigation of his affairs.

Pearson shares rose yesterday on the news of the boardroom shakeup which should see, *inter alia*, the arrival of John Mankinson in the finance director's chair. Pearson has not yet confirmed the appointment – and quite right too. It is probably still trying to establish that the former *Financial Times* hack is no longer in possession of his original calculator.

It transpires that when he was a lowly mortal writing the FT's company analysis Mr Mankinson gained a reputation for being incapable of calculating a price/earnings ratio correctly. "He insisted on using this lousy calculator," revealed a former colleague.

The City is taken to the cleaners as Cambridge put on an error-strewn display at Twickenham for the rugby union varsity match. The spread betters had the light blues as firm favourites, offering a contract for a Cambridge win by a margin of eight to 11 points. In the end Cambridge scraped home 21 points to 19.

One bookie, Sporting Index, took 500 bets at an average of £20 a point. That's a good chunk of this year's bonuses down the pan already. And with only one bookie.

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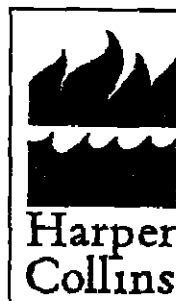
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- ☐ Ruth Rendell, *The Speaker of Mandarins*, read by George Baker
- ☐ Emily Brontë, *Wuthering Heights*, read by Martin Shaw
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British Land  
issue in dangerTOM STEVENSON  
Deputy City Editor

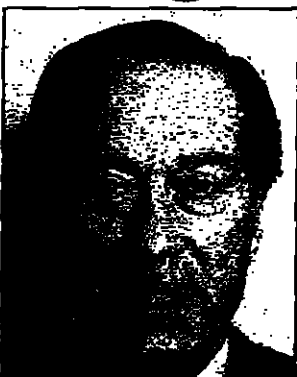
British Land shrugged off worries in the City yesterday that the property company, Britain's second largest, is struggling to get a £222m placing away. The share issue at 370p, designed to reduce gearing of well over 100 per cent, closes tomorrow and looked in danger with the shares closing last night at just 368p.

The placing of 62 million shares was underwritten by SBC Warburg and UBS at the issue price although, as is usual practice, they both laid off most of the risk with sub-underwriters on the day the issue was announced.

The recent slide in British Land's shares reflects worries among investors that the company may have over-reached itself with the acquisition, announced last month, of the half of London's Broadgate office development that it did not already own. Although British Land only paid £120m for the half share, the deal involved taking on £800m of debts in the scheme, the interest on which is still not covered by rental income.

When the placing was announced, the shares stood 6 per cent higher than the issue price, giving shareholders an incentive to participate on the basis of one new share for every six held. Since then, however, the slide in the shares has eroded the discount.

The Broadgate acquisition, which British Land had pursued for two years, was the latest in a sequence of purchases that helped drive gross rents in the six months to September 31 per



Undeterred: John Ritblat is confident about prospects

cent higher to £108.7m. During the first half year, profits increased 5.6 per cent to £18.9m and the interim dividend rose 5.3 per cent to 2.78p.

Despite the underperformance of the shares, John Ritblat, British Land's chairman, painted a relatively bright picture of group prospects. "Over 80 per cent of our portfolio will have been acquired in the last seven years, the majority of those purchases having been in well located City offices, supermarkets, retail warehouses and leisure investments, all with good prospects for long-term rental growth."

British Land has been one of the most successful property investment companies during and since the recession, mainly because, unlike many of its peers, it entered the slump with low borrowings and so was able to take on properties at attractive prices. Its growth has slowed recently, however, with net assets growing by only 1 per cent in the year to March.

## COMPANY RESULTS

	Turnover £	Pre-tax £	EPS	Dividend
Barrat Group (Q)	146m (128m)	19.0m (17.2m)	18.4p (16.4p)	2.3p (2.1p)
Branches (Q)	33.4m (22.7m)	6.1m (6.2m)	6.0p (6.5p)	5.7p (5.7p)
British Land (Q)	-	18.9m (17.8m)	2.5p (2p)	2.78p (2.54p)
Cray Electronics (Q)	120m (135m)	-14.8m (10.1m)	-4.3p (3p)	nil (1p)
Eurocopy (Q)	24.2m (26.6m)	4.21m (3.81m)	6.06p (4.87p)	3.3p (2p)
Holman (Q)	30.8m (20.6m)	14.4m (12.3m)	3.81p (3.15p)	1.00p (0.84p)
Managers Agency (Q)	49.8m (41.1m)	4.07m (3.40m)	10.51p (10.81p)	4.50p (4p)
Northern Electric (Q)	430m (481m)	59.7m (53.4m)	8.9p (8.9p)	12p (10.55p)
Pillar Property (Q)	13.8m (11.2m)	1.1m (0.05m)	1p (0.1p)	1.5p (nil)
Prattins (Q)	28.3m (23.8m)	3.94m (2.71m)	6.87p (6.3p)	1.5p (1.25p)
Stakis (Q)	173m (148m)	25.8m (20.2m)	4.80p (4.27p)	1.75p (1.55p)
West Group (Q)	280m (244m)	31.8m (29.2m)	17.25p (16.5p)	17.50p (16.50p)
(Q) - Profit (Q) - Interest (Q) - Net results				

## IN BRIEF

## Cray Electronics confirms loss

Cray Electronics, the troubled data communications company whose shares have collapsed following a series of profits warnings this year, confirmed yesterday that it had made a £14.6m loss in the six months to October. The loss compares with a £10m profit in the same period last year. The problems were due mainly to costs and provisions incurred at Cray Communications, the computer network subsidiary, which recorded a £4.8m loss in the half year.

The new chairman, Alec Daly, made a cautiously optimistic statement, saying that though turnover was 5 per cent lower, orders were ahead of last year. The shares closed 0.5p higher at 47.5p yesterday.

## Slim profit for clothing manufacturer

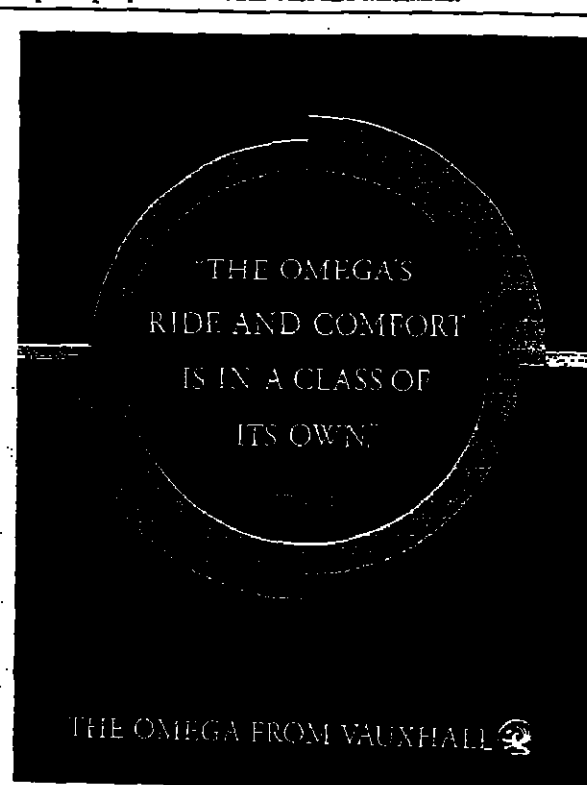
The hot summer and sluggish high street sales have savaged profits at Slumma, the manufacturer which specialises in clothes for larger customers. Profits for the year to September slumped to £35,000 from £1m last year and the dividend has been halved to 1.3p. Margins were lower due to a shift in the sales mix towards supplying more multiple retailers. Mail order sales were also down. The company says it has reduced overheads by selling a smaller factory and is keen to exploit its export business.

## Eurocopy makes headway

Profits at Eurocopy, the photocopying group that recently called off takeover discussions, were up from £3.6 to £4.2m in the year to September. The chairman, Cyril Gay, said restructuring within the industry presented the group with unique opportunities to expand. The final dividend was increased from 2p to 2.3p.

## Travis Perkins buys builders' merchants

Travis Perkins, the builders' merchants, is paying £14m for BMSS, which operates a chain of 26 timber and builders' merchants in the West Midlands, Wales and Greater Manchester areas. The cash offer is worth 153p per share. In the year to January, BMSS reported pre-tax profits of £706,000 on sales of £18.6m. The location of its branches complements those of Travis Perkins which are principally in the South-east and Midlands.





## market report/shares

## TAKING STOCK

## DATA BANK

FT-SE 100

3,654.9 +12.8

FT-SE 250

3,933.5 +3.4

FT-SE 350

1,808.6 +0.7

SEAQ VOLUME

707.9m shares

27,898 bargains

Gifts Index

95.89 +0.03

SHARE SPOTLIGHT

Share Price Index

100

120

140

160

180

200

220

240

260

280

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## Investors continue to hang up on BT as worries grow

## MARKET REPORT

## DEREK PAIN

Stock market reporter of the year



Investors are continuing to hang up on BT, the Government's biggest privatisation adventure. The shares fell a further 4.5p to 343.5p, lowest for three years.

The telecoms giant has been under increasing pressure in the past three months, with the share price collapsing from a year's high of 414p, as many small shareholders decided to snatch their profits before they disappeared.

BT's increasingly rough relationship with the industry regulator is worrying the group, as is the growing competition. There is a feeling it is beginning to look like a staid old giant, tormented by many of the industry's smaller players.

With BT's margins under pressure and the stock market's profit forecasts looking less positive there is plenty of room for disenchantment.

The nagging suspicion that BT could indulge in what

might be an unpopular take over spree is also taking its toll. Cable and Wireless, still reeling from the boardroom upheaval, is rumoured to be one possible target. Another idea is it will buy Cable's controlling stake in Hong Kong Telecom. Cable, up 5p at 446p, has pulled in ABN Amro Hoare Govett as joint broker with Cazenove - which could indicate that it suspects a bid is in the offing.

A BT move for the outstanding shares in Cellnet, the mobile telephone group, would - of the possible deals being talked about - be the most popular. But Whitehall could decide to block BT dialling for full control.

BT is not, however, the only privatisation share feeling the pinch as the stock market trades near its highest level.

British Gas, another under regulatory pressure, was down 1p at 227.5p, perilously near its

year's low. The group is beset by its deep-rooted image problems as well as the ramifications of its long term gas contracts.

And just to underline what a poor day it was for privatisation shares Rolls-Royce fell 2p to its 175p sale price while British Steel retreated another 3.5p to 158p compared with a 12.5p flotation. Rolls, in early trade, touched 180p on talk of BMW share buying. British Steel continued to feel the impact of the profit warning by the US steel giant.

Blue chips remained under the influence of lower interest rate hopes but an uncertain New York display eroded

gains. The death of Sir David Lighthorn MP, cutting the Government's majority to five, could further unsettle the market today.

WPP, the advertising group, edged ahead 1p to 152p. Martin Sorrell, who has made investment presentations in Scotland this week, purchased 100,000 shares at 150p and now has 2.5 million shares, representing 0.34 per cent.

National Grid edged forward to 211p and British Aerospace staged a modest revival, up 11p at 788p.

Oil flared on the firming crude price; British Petroleum added 8p to 533.5p and Enterprise Oil achieved the dis-

tribution of the best blue-chip gain, up 10p at 365p.

The Camelot contingent felt the blast of Panorama. Cadbury Schweppes slipped 2.5p to 548.5p. De La Rue up to 660p and Racal Electronics 9p to 268p. Whispers of a Swiss bid lifted Rexam 9p to 337p but Vickers, where some have talked confidently of take over action, fell 8p to 274p.

BTG, the old British Technology Group, had an eventful run, following its trading statement and dividend forecast. The shares surged 200p to 1,120p. The shares were floated at 225p in the summer. Alfa, the consumer electrical group, gained 15p to 282p following its investment dinner. Cray Electronics was little changed at 47.5p after its £14.6m loss.

Waste Management International tumbled 23p to 323p on the profits warning but take over action lifted Giff Pe-

trolem, in talks. 21p to 89p. BMSS rose 32p to 150p following an agreed £14m offer from Travis Perkins.

AMEC stuck at 100p as hostile bidder Kvaerner lifted its holding to 22.55 per cent.

Wassall, the conglomerate, improved 6p to 245p after a positive meeting with Henderson Crosswhite. Barton eased 2p to 128p as Societe Generale Strauss Turnbull said the shares were expensive.

Sims, the food group, fell 3p to 35p on the continuing BSE uncertainty. There is, however, vague talk of bid action. Whichurch - a meat products group headed by Barry Cox, ex-Hard Rock Cafe - is said to be contemplating a strike.

Sims has been having a lean time and looks vulnerable. Profits have been hit and in the first half of its current year it produced £150,000 against £1.2m. Three years ago the shares hit 339p.

United Energy, the oil trader, held at 11p. It has been reshaped and Peel Hunt, the stockbroker, expects year's profits to emerge at £100,000 against a £360,000 loss and estimates asset value at 17p. The group's interests are mainly in the US where it is seeking to add to its operations. It has its eye on moving into power generation in this country.

Dealing is due to start on AIM next week in the shares of Polymase, a fledgling biotech operation, hived off from the Royal Free Hospital medical school in Hampstead. Teather & Greenwood, the stockbroker, has placed shares at 100p, raising £5m and pricing the company at £20m. In the current highly charged biotech atmosphere they could enjoy a heady romp in early trading.

## SHARE PRICE DATA

Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items.

Other details: Ex rights x Ex-dividend a Ex-all x Unlisted Securities Market a Suspended pp Partly Paid pm Pd Paid Shares.

Source: Fitch.

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UK Stock Market Report 01 Bullion Report 05 Water Shares 30

UK Company News 02 Wall St Report 20 Electricity Shares 41

Foreign Exchange 03 Tolley Market 21 High Street Banks 41

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Call cost 37p per minute (excl. VAT), and 47p at all other times. Call charges include VAT.

## MARKET LEADERS: TOP 20 VOLUMES

Stock Vol/Val National Vol/Val Bank Vol/Val Stock Vol/Val

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## sport

European Championship qualifying play-off: The Netherlands v Republic of Ireland, Anfield, 8pm

## Orange, green and white night

GUY HODGSON

There are two reactions to the colours of Ireland and the Netherlands. The Irish, and even those using it as a flag of international convenience, see the tricolour and are seemingly imbued with patriotic desire. The Dutch use theirs as a basis for an argument.

No nation in football dissipates its talent with needless rows like the Netherlands. In 1978 they might have won the World Cup if Johan Cruyff had not been sulking elsewhere and in countless international competitions since, the loudest noises coming from their camp has been the sound of broken crockery.

It is the same tonight. Every sane observer would place the Dutch in the top 16 nations in Europe yet they have to face the Republic of Ireland in a play-off at Anfield for next summer's European Championships. This the legacy of another bust-up about style and formation.

Indeed had Guus Hiddink, the Dutch coach, not had his thinking changed by a strike by the Ajax players earlier this year they might have been denied even a chance of making it to England by the back door. Now the Netherlands play it the Ajax way and Hiddink is a tactical hostage to his players.

"It's difficult," Marc Overmars, the Ajax winger, replied diplomatically, when asked why the Dutch began their qualification period so badly. They needed to win their last three

matches just to make it to Anfield. "I have been asked that so many times. The last few games it is Ajax style but before that it was a little different. Maybe."

For maybe read definitely. As a consequence the Dutch team tonight will have eight players from Ajax, something

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A KELLY										
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PHILLIPS	SHANAHAN	THOMSON	WILLIAMS	WILLIAMS	WILLIAMS	WILLIAMS	WILLIAMS	WILLIAMS	WILLIAMS	WILLIAMS
NETHERLANDS										
OVERMARS	R DE ROOY	DAVIS	DAVIS	DAVIS	DAVIS	DAVIS	DAVIS	DAVIS	DAVIS	DAVIS
OVERMARS	R DE ROOY	DAVIS	DAVIS	DAVIS	DAVIS	DAVIS	DAVIS	DAVIS	DAVIS	DAVIS

that has pleased the Dutch, notwithstanding the Amsterdam side's status as the European Cup holders and world club champions.

"A lot of countries have tried to base national teams round club sides - England tried it with Liverpool a few years ago - and it's never worked," Jack Charlton, the Irish manager, said. "That's mainly because clubs play other clubs. When you play at in-

ternational level you are playing the best in a country."

The intrigues in the Dutch camp are not mirrored in the Republic's, who are thrilled to have any chance of playing in the finals at all after conceding 10 goals in their last five matches, only one of which was won. Even Charlton, grumpy as an old grizzly before the last qualifying game in Portugal, has a serenity before a match that might see the end of his nine-year term in charge of the Irish.

"I'm not too bad actually," he said. "My mind isn't dwelling on the game as much as it has in the past. Mainly because I know we're playing a good side. They're probably expected to beat us. I'm relaxed because of the expectancy."

History favours the Dutch who put the Irish out of the European Championships in 1988 and expelled them from the World Cup in the United States in Orlando last year. The difference this time, according to Charlton, is that the match is being played on Ireland's terms.

The venue, in the heart of the Irish community in England, is an advantage for a start but so is the cold, dank air and the inclusion of a tall target man, round which the Irish attack in swirls. In Orlando neither the debilitating humidity nor the lack of Niall Quinn and Tony Casciaro were in their favour and they lost 2-0.

"We were forced to readjust," Charlton said of that disappointment. "We like to play the ball behind people, we like to condense areas and we



Back to back: The Irish manager Jack Charlton (left) and his captain, Andy Townsend, in training yesterday

Photograph: Bob Collier/Reuters

like to chase them. We can do that in these temperatures but we couldn't in America. We're back to what we do best."

Casciaro, a revelation for Marseille this season, plays tonight as Quinn is suspended. "He's a big strong lad," Charlton added, "who moves about well and his touch has im-

proved for being in France. We've used him in the past to replace Niall. I see no problem."

One problem Charlton does perceive, however, is the threat of the Dutch wingers. Overmars and Glenn Helder. Estimating that two full-backs might not be enough he has selected four - Jeff Kenna and

Terry Phelan to guard the flanks from midfield in addition to Gary Kelly and Denis Irwin. John Aldridge, too, will operate from a withdrawn position.

"We've never played two up front," Charlton said. "We've always had one striker coming back into midfield when we lose possession. You

lot come to me and say five across midfield is a defensive formation but it doesn't have to be. It depends how many people you throw forward when the ball's there."

That last equation will be solved only if Irish enthusiasm can bridge the Netherlands' individual advantages. "If we

played them 10 times," Danny Blind, captain of Ajax and his country, said, "we would win six or seven times. But quality does not always count." Ireland and Charlton would probably concur with the maths. They will hope their own qualities, those of spirit and teamwork, add up to the greater sum tonight.

## Cantwell relives the crack and the sadness of Paris

What Jack Charlton would have made of it is anyone's guess. The Sixties are in mid-swing and the Republic of Ireland team, who face the game of their lives within 24 hours, are out watching the dancing girls of the *Filles du Berger*.

Charlton's Ireland have a reputation for post-match partying. Victories were more scarce in the days when Noel Cantwell was the Republic's most-capped player, which may explain why, on that Parisian night, they were getting their celebrations in first.

"We didn't have a drink," Cantwell assured me with a twinkle in his eye in the lounge bar of his pub in Peterborough. "But the crack was good, and then we went back to our hotel."

Tonight, this 63-year-old son of Cork will be another member of the Green Army roaring Charlton's team on against the Netherlands. In the French capital 30 years ago last month, Cantwell was leading from the front, or rather the back, as the Republic's centre-half and captain against Spain.

That match was also a play-off for the last place in a major tournament in England. Whereas Irish sights are currently set on next summer's European Championship finals, Cantwell's mind raced with thoughts of the 1966 World Cup as he joined the Football Association of Ireland's charter flight to France at Heathrow.

Fate was doing its bit for the Republic. Syria withdrew from their qualifying section on po-

litical grounds. Then, after they had followed a 1-0 win in Dublin over the only other team left in the group, Spain, with a 4-1 away defeat, a third match was ordered by the game's world governing body, Fifa.

"When Spain came to Dalmount Park I played up front," Cantwell recalled. "The crowd there got behind you if you were enthusiastic and whacked a few people, so after five minutes I charged into the keeper, who was a huge fella, about 6ft 4in."

"He gave me a real mouthful, but soon another cross came in right under the bar. I ran at him, but didn't touch him. Instead I shouted at him, and he palmed the ball straight into the net. When he was asked later what'd happened, he pointed to his head and



said: 'Centre-forward, he loooo'." Spain, then European champions, staged the return in Seville. "That was an incredibly partisan place, with 30,000 jammed in. If they needed a result they took teams there rather than Madrid. No one got out of there winning."

The Republic were no exception, and Joe Wickham, genial godfather of the FAI, was left to negotiate a neutral venue. "We were hoping for Goodison or Old Trafford," Cantwell said. "There was a rumour that we took a bung to go to Paris, which Spain wanted, but I was told it was done on the toss of a coin."

Phil Shaw encounters the Republic's 'towering force' of three decades ago - Noel Cantwell (pictured left) - whose makeshift team also travelled to a neutral ground, the Parc de Princes, for a play-off that meant qualification for a major tournament finals in England. The prize against Spain was a place in the 1966 World Cup

mour that we took a bung to go to Paris, which Spain wanted, but I was told it was done on the toss of a coin."

So, via the Folies, to the Parc des Princes, where Irish colours were swamped by Spanish flags in the 40,000 crowd. Cantwell was back in defence, with his Manchester United colleagues, Shay Brennan and Tony Dunne, while Eamon Dunphy, just out of his teens, made his debut in midfield.

The Irish Times described Cantwell as a "towering force"

in a gallant rearguard action. But with 11 minutes left, Lopez Ufarte hit the only goal, and frantic pressure could not force extra time.

"They were better than us, and I remember Luis Suarez was different class," Cantwell admitted, "but it was a sad night because we'd never been so close to the finals."

He does not, however, believe it holds any omens for Anfield, for they were very different times. "For a start, you had to be born in the Re-

public. We didn't have enough top-class players, so you'd have someone like Johnny Giles alongside a Fourth Division player or part-timer from the League of Ireland."

"Also, most of our games were friendlies. I never played in Belfast, for example, but I often played in Prague and Warsaw. They were the only invitations we got. We played at Katowice once with 110,000 there. Very few Westerners had been there since the Communists took power, and people

were just staring at us on the bus. "Another thing was that we never had the luxury of having matches called off the Saturday before an international - and our home games were on Sundays. It was nothing for me to play somewhere like Ipswich, change quickly, get a lift or a taxi to the station, and try and make the ferry from Holyhead or Fishguard."

"I might have a pint and then I'd get my head down on a bunk. Sometimes I got into Dublin at 7am and we'd assemble at the Gresham hotel at midday after Mass. You could be playing Italy but there was no time for tactical discussion. You just went up to Dalmount and got stuck in."

The match fee was £50 and the most modest expenses,

such as a £5 taxi fare, routinely challenged. Even the kit was archaic. When he was with West Ham, Cantwell took his own shorts over. He can still see Giles pulling a pair with a 38-inch waist over his head.

All the same, he was proud to represent his country (for whom he also played at cricket). Nowadays in a 13-year international career, he might have 100 caps rather than 36. Why so few? "Matt [Busby] didn't always approve of us going off to play for Ireland, especially if it was a friendly and United had a midweek match. You might develop a twinge you never knew you had."

The Republic had various part-time managers - Cantwell did the job briefly when he was in charge at Coventry - yet the squad was chosen by a committee of Irish club officials.

"They never came over here to watch people. They went on your record, or by cuttings, and judged whether you were better than some fella at home. We'd probably only have taken on a couple of reserves to Paris. There were more FAI men than players."

Charlton, in tandem with Maurice Setters (whom Cantwell partnered at United and later bought for Coventry), has changed all that. Far from representing the Anglo-Irishness, or begrudging the comparatively pampered players of the past decade, Cantwell wishes he could have been part of the success. Tonight, as one of the team behind the team, he may well be.

## The sometimes fatal danger of the sudden-death play-off

Sport, George Orwell once decreed, is an unending cause of ill-will, writes Phil Shaw. Play-off football has made an unfortunate habit of bearing him out, never more so than after El Salvador beat Honduras in Mexico City for the right to meet Haiti in yet another play-off for a place in the 1970 World Cup finals.

Their two previous games had provoked rioting in which expatriates from both countries were attacked in the other. Three days after the third meeting, the Salvadoran army invaded Honduras on po-

the pretext of protecting its nationals.

In the ensuing conflict - now known as "the Football War", though the games were an excuse rather than the cause - 3,000 died before the Organisation of American States brokered an uneasy peace.

Strife in the Middle East led to Wales becoming embroiled in a play-off as early as 1958. When Arab nations refused to play Israel, the names of seven European group runners-up were put in the Jules Rimet Trophy. Wales's was drawn out, and they travelled to Tel

Aviv six months before the World Cup was due to open in Sweden.

There were tank tracks on the pitch and refugees in the dressing-rooms. The British press had to submit copy to the Israeli censor, one reporter eventually filing via an Army field telephone on the touchline. The news was good, Wales's 2-0 victory being their first on foreign soil.

They repeated the margin in Cardiff and went on to beat Hungary in another play-off during the finals to decide who went through to the last

eight. Seven years on it was the turn of the Republic of Ireland, whose defeat by Spain is recalled on this page by Noel Cantwell, but two decades passed before another team from these islands experienced a one-off decider.

The 1985 tussle between Scotland and Australia was, in fact, a two-off with a place in the World Cup finals the prize. After winning 2-0 in Glasgow, the Scots - under the management of Alex Ferguson - trekked 11,000 miles to Melbourne 10 years ago this month.

They were away nine days, three of which were spent travelling, and also had to contend with psychological warfare waged by the Soccerex Yugoslavia manager, Frank "Mad Dog" Arak. His bark proved worse than his bite, a 0-0 draw taking the Tartan Army to Mexico.

By the time Australia tangled with Argentina for a place at USA '94 they were coached by Scot Eddie Thomson. The first leg, in Sydney, was goalless. For the second, the Argentinians recalled the man whose "Hand of God" goal had

become a symbol of post-Malvinas defiance. "The wee 10", as Thomson called Diego Maradona, made the difference in a 1-0 home win with his famous hand.

The Dutch, incidentally, are no strangers to play-offs; the national team having played neighbouring Belgium for a place in the same finals. The bad blood Orwell so disliked was manifested after only 90 seconds of the first leg. Wim Kieft, a striker then playing for Pisa, was sent off by the Italian referee and widely blamed for the Netherlands' second successive failure to qualify.

## Kendall takes over at Sheffield United after Bassett reign ends

ALAN NIXON

Howard Kendall stepped back into football management yesterday by taking charge of Sheffield United.

Since his short spell at Notts County the former Everton and Manchester City manager has lost almost two stone and has got himself fit for action. He has been waiting for a call, which came yesterday from Bramall Lane.

After Dave Bassett ended his eight-year spell with the Blades, their chairman Mike McDermid wanted a new look team to lead his side after his protracted take-over. Kendall's immediate task will be to lift United out of the First Division relegation zone and he will be given money to bring in new staff and players.

After steering Sheffield United from the old Third Division to the Premiership, the last two years have not been as successful, with Bassett involved in a constant struggle for funds to bolster his ailing team following relegation.

The Sheffield United board

paid glowing tribute to him in a statement yesterday, expressing their gratitude to Bassett "for the outstanding contribution that he has made over the last eight years." Bassett said he was leaving reluctantly but with his head held high, "knowing that I have done my best with the limited resources made available to me."

Daley Thompson, the gold medal-winning decathlete, could make his League debut at 38 for Third Division Mansfield at home to Cardiff on Saturday. "I don't know whether he is going to make the grade," the Stags' assistant-manager Keith Alexander said, "but he might have enough to see us through a difficult period over Christmas because of injuries."

In another managerial appointment yesterday, Mick Hall takes over the Second Division club Peterborough where he has been acting as caretaker manager for just over a month following John Still's resignation. Hall, played in more than 300 games for the Posh after joining them from

Grimsby in 1987 before his career was ended by injury. Birmingham City's captain, Liam Daish, has been suspended for the rest of the Anglo-Italian Cup pending a full inquiry into a brawl following a match against Ancona last month, the Italian league said on Tuesday. The decision was taken by Italian and English officials at a meeting last night.

"Daish has been suspended as a precautionary measure," he said. "He was held responsible for the violent attack on Ancona trainer Massimo Cacciatori at the end of the Ancona-Birmingham City match on 15 November."

Ancona's Edoardo Artistic and Birmingham's Paul Tait were each suspended for one match.

Cacciatori, who said he was set upon in dressing-room corridors, had surgery for a broken jaw and also suffered severe bruising and cuts to his left eye. He has said he will consider taking legal action.

The Manchester City defender Richard Edgill is likely to be out of action for the rest of the season, because of a

knee injury. The 21-year-old, carried off at Leeds 10 days ago, has a ruptured cruciate ligament, which requires an operation.

The club's Republic of Ireland striker Niall Quinn suffered a similar injury in November 1993. He missed the World Cup the following summer, but after a long lay-off, Quinn has fully recovered.

The American goalkeeper Jan Feuer is thinking over a £50,000 move to Luton Town after West Ham decided to let him go.

TODAY'S  
NUMBER  
147

The number of ice-hockey players in America's National Hockey League who are paid salaries of more than \$1m (£570,000) a season. A year ago there were 106 in the millionaires' club and just six in 1990-91.

## Clubs in Japan and Greece vie for Maradona

Diego Maradona is considering offers to play for Japanese and Greek clubs in 1996. The 35-year-old midfielder who captained Argentina to victory in the 1986 World Cup, has recently returned from a second drug ban and is contracted to play for the Argentine club Boca Juniors until December 1997.

However, his agent, Guillermo Coppola, said: "There is a concrete and very good offer for Diego to go and play in Japan next year and also another from a club in Greece."

Maradona, who is sidelined with a stomach trouble, helped Boca to a seemingly unbeatable six-point lead in the Argentine league by mid-November, but Boca have since crashed to consecutive defeats and lost any chance of winning the championship.

George Best, Eusebio and Geoff Hurst have had their famous feet immortalized in cement casts for display in the Football Museum restaurant, which will open in London next year. They also presented some of their own treasures when they appeared at the restaurant's Haymarket site. Best handed over his 1967 European Footballer of the Year award.

## WEEKEND FIXTURES AND POOLS GUIDE

FA Cup		First Division	
1 Arsenal v Chelsea	1	50 Dundee v St. Johnstone	1
2 Aston Villa v Coventry	2	51 Dunfermline v Ayr	1
3 Blackburn v Middlesbrough	3	52 Gillingham v Barnet	1
4 Man City v Nottingham Forest	4	53 Gillingham v Barnet	1
5 Ipswich v Bolton	5	54 Gillingham v Barnet	1
6 QPR v Bolton	6	55 Gillingham v Barnet	1
7 Sheffield Wed v Leeds	7	56 Gillingham v Barnet	1
8 West Ham v Southampton	8	57 Gillingham v Barnet	1
9 Wimbledon v Tottenham	9	58 Gillingham v Barnet	1
10 Reading v Charlton	10	59 Gillingham v Barnet	1
11 Grimsby v Southend	11	60 Gillingham v Barnet	1
12 Huddersfield v West Brom	12	61 Gillingham v Barnet	1
13 Ipswich v Sheffield Utd	13	62 Gillingham v Barnet	1
14 Millwall v Derby	14	63 Gillingham v Barnet	1
15 Portsmouth v Luton	15	64 Gillingham v Barnet	1
16 Reading v Southampton	16	65 Gillingham v Barnet	1
17 Westford v Warrington	17	66 Gillingham v Barnet	1
18 Blackpool v Bradford	18	67 Gillingham v Barnet	1
19 Burnley v Stockport	19	68 Gillingham v Barnet	1
20 Bristol Rovers v Oxford Utd	20	69 Gillingham v Barnet	1
21 Carlisle v Walsall	21	70 Gillingham v Barnet	1
22 Chesterfield v Brentford	22	71 Gillingham v Barnet	1
23 Notts County v Crewe	23	72 Gillingham v Barnet	1
24 Rotherham v Rotherham	24	73 Gillingham v Barnet	1
25 Shrewsbury v Brighton	25	74 Gillingham v Barnet	1
26 Swindon v Burnley	26	75 Gillingham v Barnet	1
27 Swindon v Burnley	27	76 Gillingham v Barnet	1
28 Weymouth v Bristol City	28	77 Gillingham v Barnet	1
29 York v Hull	29	78 Gillingham v Barnet	1
30 York v Hull	30	79 Gillingham v Barnet	1
31 Chester v Preston	31	80 Gillingham v Barnet	1
32 Colchester v Southport	32	81 Gillingham v Barnet	1
33 Darlington v Barnet	33	82 Gillingham v Barnet	1
34 Doncaster v Leyton Orient	34	83 Gillingham v Barnet	1
35 Exeter v Plymouth	35	84 Gillingham v Barnet	1
36 Exeter v Plymouth	36	85 Gillingham v Barnet	1
37 Hartlepool v Cambridge Utd	37	86 Gillingham v Barnet	1
38 Lincoln v Plymouth	38	87 Gillingham v Barnet	1
39 Mansfield v Cardiff	39	88 Gillingham v Barnet	1
40 Torquay v Scarborough	40	89 Gillingham v Barnet	1
41 Wigan v Huddersfield	41	90 Gillingham v Barnet	1
42 Wigan v Huddersfield	42	91 Gillingham v Barnet	1
43 Wigan v Huddersfield	43	92 Gillingham v Barnet	1
44 Wigan v Huddersfield	44	93 Gillingham v Barnet	1
45 Wigan v Huddersfield	45	94 Gillingham v Barnet	1
46 Wigan v Huddersfield	46	95 Gillingham v Barnet	1
47 Wigan v Huddersfield	47	96 Gillingham v Barnet	1
48 Wigan v Huddersfield	48	97 Gillingham v Barnet	1
49 Wigan v Huddersfield	49	98 Gillingham v Barnet	1
50 Wigan v Huddersfield	50	99 Gillingham v Barnet	1
51 Wigan v Huddersfield	51	100 Gillingham v Barnet	1

## TODAY'S FIXTURES

Football		Rugby Union	
7.30 <i>live on radio</i>			
<b>EUROPEAN CHAMPIONSHIP</b>			
<b>QUALIFYING PLAY-OFF</b>			
Northern v. Republic of Ireland (8.0) (at Anfield)		Hiberns v. Ospreys; Wigan v. Halifax; First Division; Bally v. Wigan; Newcastle v. Leeds; 2nd; Second Division; Bristol v. Harlequins; Chorley v. Swinton; Highland v. Hull RFC; Welsh v. Doncaster; York v. Grimsby.	
<b>ANGLO-ITALIAN CUP</b>		<b>Rugby Union</b>	
<b>INTERNATIONAL STAGE GROUP A</b>		<b>IRELAND CUP</b>	
Northern v. v. Cosmos		Ulster v. Ulster v. Belfast (7.0).	
Glasgow v. Glasgow		<b>CIR IRELAND-22 COUNTY CHAMPIONSHIP</b>	
Ulster v. Ulster		Ulster v. Ulster	







## SPORT

BRIAN LARA

'Cricket is ruining my life' 25

JACK CHARLTON

Ready for the showdown

# England meet Italy on the road to France

## Football

England were given one of the toughest of tasks when the draw for the 1998 World Cup was made in Paris yesterday. Terry Venables' team were drawn in a group with Italy, Poland, Georgia and Moldova.

Both Italy, beaten finalists in the 1994 World Cup, and Poland have qualified at England's expense in recent times. In 1973 Poland put out Sir Alf Ramsey's men while four years later Italy deprived Ron Greenwood's side of a place in the finals in Argentina.

Venables' side also face the prospect of difficult journeys to two countries who have emerged from the former Soviet Union, Moldova and Georgia. Both handed out hu-

milating beatings to Wales in the qualifying campaign for Euro '96.

Scotland face Sweden, who they lost to in a friendly earlier this season, as well as Austria, and another three of the former Soviet Union sides, Belarus and the Baltic states of Estonia and Latvia in a six-team group.

Wales will take on Belgium, who they beat in the qualifying competition for the 1994 World Cup, as well as the Netherlands, Turkey, Euro '96 finalists in England next summer, are also in the same group, which is made up by San Marino.

Northern Ireland received perhaps the toughest draw of all. They are up against Germany and Portugal, with whom they drew 0-0 in Oporto in September, plus Albania, Ukraine

and Armenia.

For the Republic of Ireland, drawn in the six-strong group eight, there is a chance to make up for the embarrassment of being held to a goalless draw by Liechtenstein last summer and the opportunity to recall the famous penalty shoot-out win over Romania in Italy in 1990. The group is made up by the former Yugoslav republics of Macedonia, Lithuania and Iceland.

The Republic of Ireland manager, Jack Charlton, said: "Romania are the only team there that you would say had excellent quality. Even so I believe that many of their top players are coming towards the end of their careers."

"We remember them of course from the penalty shoot-out in the World Cup finals in Italy."

"And they also did well in America, of course. To me, it looks like them or us to win the group because there are no other teams we know we can't beat."

After the disappointments of the rocky road to the 1994 World Cup, in which the Republic of Ireland alone reached the finals (the first time in 40 years that none of the four home nations had managed to qualify) expectations will be high that a huge force of Channel-hoppers will descend on France in two-and-a-half years' time.

The passports to the outer reaches of the continent were handed out at the end of the 90-minute gala draw by Milan's Liberian striker, George Weah, and France's Just Fontaine, who scored a record 13 goals in the 1958 finals in Sweden.

But that was only after an increasingly anxious wait as the ceremony roamed across the globe, with draws for Asia, Africa, Oceania and North and Central America.

Eventually, the 49 European teams ready to join battle for the 14 places available alongside the hosts began to know their fate, with Wales, in the fourth batch of seeds, the first of the home countries to be pulled, in group seven.

Next came Bryan Hamilton's Northern Ireland, in the third group of seeds, and immediately facing three trips to the eastern edge of the continent. And then England, Scotland and finally the Republic. The race was on.

## World Cup 1998

## European Qualifying Section

(14 qualifiers plus France who qualify automatically as hosts)

## GROUP ONE

Denmark  
Greece  
Croatia  
Slovenia  
Bosnia

## GROUP TWO

Italy  
ENGLAND  
Poland  
Georgia  
Moldova

## GROUP THREE

Norway  
Switzerland  
Finland  
Hungary  
Azerbaijan

## GROUP FOUR

Sweden  
SCOTLAND  
Austria  
Latvia  
Belarus  
Estonia

## GROUP FIVE

Russia  
Bulgaria  
Israel  
Cyprus  
Luxembourg

## GROUP SIX

Spain  
Czech Republic  
Slovakia  
Yugoslavia  
Malta  
Faroe Islands

## GROUP SEVEN

Netherlands  
Belgium  
Turkey  
WALES  
San Marino

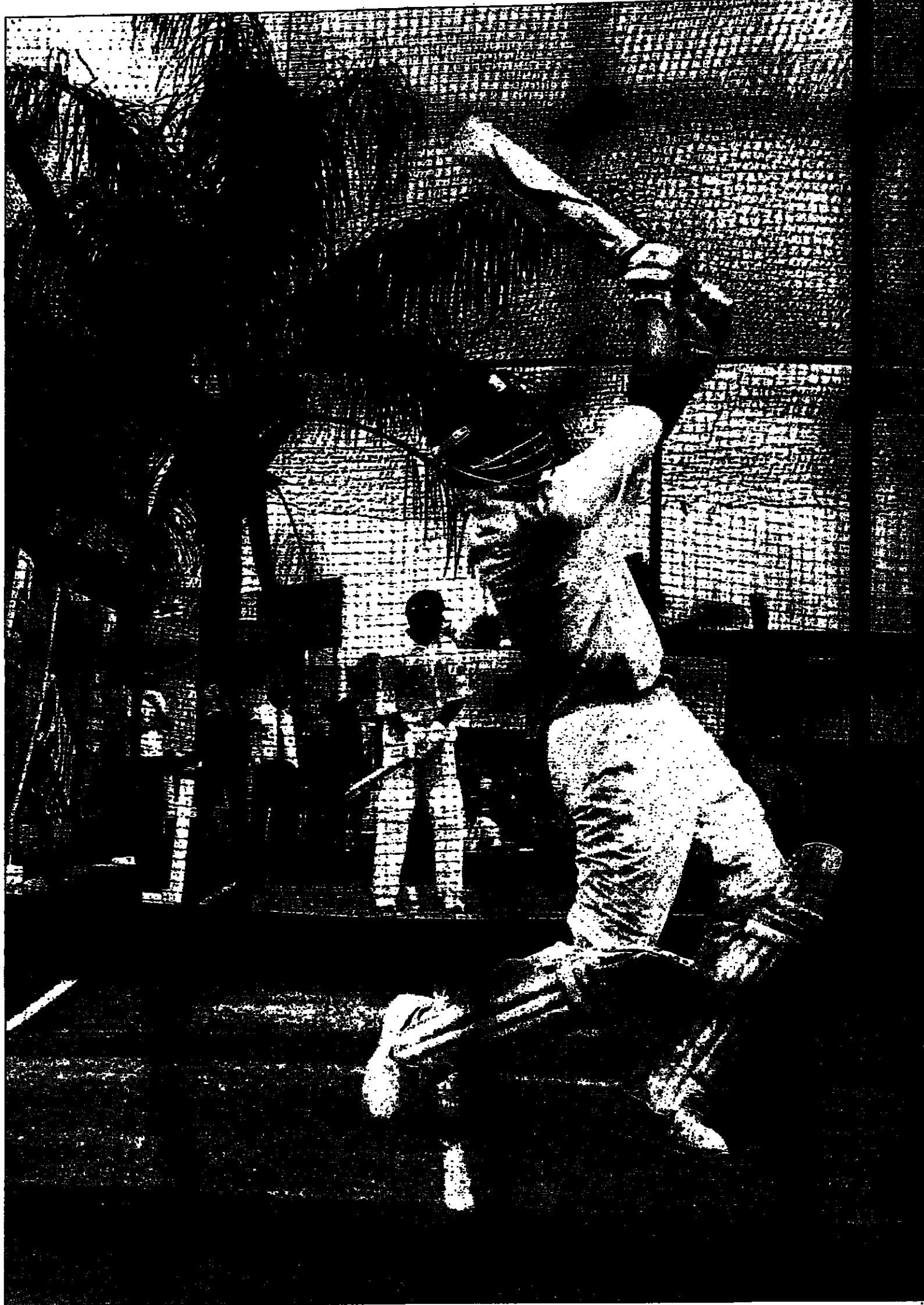
## GROUP EIGHT

Romania  
REPUBLIC OF IRELAND  
Lithuania  
Iceland  
Macedonia  
Liechtenstein

## GROUP NINE

Germany  
Portugal  
NORTHERN IRELAND  
Ukraine  
Albania  
Armenia

The nine group winners and the best runners-up qualify for the finals in France. The other eight runners-up will be drawn into pairs for play-offs with the play-off winners qualifying for the finals in France.



John Crawley (foreground) and Graeme Hick prepare in the nets for the third Test with South Africa in Durban yesterday. Photograph: Allsport

## Ilott doubt for Durban

## Cricket

Mark Ilott's chances of playing in the third Test could depend on how quickly he recovers from a mild bout of food poisoning. The Essex left-arm pace-man missed yesterday's practice session after complaining of an upset stomach following Monday night's visit to a Japanese restaurant. England expect Ilott to be back on parade today, and competing for a place against South Africa 24 hours later.

With Darren Gough ruled out by a hamstring injury, Ilott, Peter Martin and Richard Illingworth would appear to be contesting one place. "It's going to be a last-minute job again," said the manager, Ray Illingworth, when asked about selection plans. "The pitch is quite damp and green at present but things can change very

quickly here if the sun shines."

Mark Ramprakash was also confined to quarters because of a heavy cold but, after three failures in as many Test innings this winter, his place has already been earmarked for John Crawley. Ramprakash is left to heed the advice of the former England captain Mike Gatting as he contemplates his latest failure to translate prolific County Championship form to the international arena.

In Paarl last Sunday, Ramprakash followed three consecutive Test failures with a third-ball duck during the hastily arranged limited-overs match against Boland. However, the 26-year-old batsman remains sanguine. "I've spoken to Gatt on the phone and he has urged me to stay involved, not lock myself away, and be prepared to play at any time," he said. Gatting, Ramprakash's cap-

tain at Middlesex, took a long time himself to break through on the international stage, and he will know better than most the disappointment and sense of despair Ramprakash is experiencing. "I feel I have let so many people down," said Ramprakash, who is being dropped from tomorrow's third Test against South Africa in Durban after starting the five-match series with scores of nine, four and nought.

"The worst thing is that Mike Atherton and Ray Illingworth showed faith in me by giving me the first two Tests and I didn't repay them. I know there could be some long days ahead but it's important to stay chirpy around the guys who are playing."

With seven front-line batsmen on tour, and England currently using six, it only requires one injury for Ramprakash to find himself considered for selection.

## Du Plessis and Christie to stay

## Rugby Union

Morne du Plessis and Kitch Christie, who managed and coached the Springboks to victory in the Rugby World Cup, will retain their posts for next year's New Zealand tour of South Africa.

They had talked of resigning after South Africa's victory in their first World Cup after being banned from the previous two because of apartheid. But the South African Rugby Football Union said yesterday they would stay on for the new Tri-Nation series against Australia and New Zealand, followed by the All Blacks' three-Test tour in August.

Du Plessis, a former Springbok, was credited with maintaining the squad's emotional well-being in the World Cup

amid tremendous pressure from expectant South African fans. He has been dropped as a selector for the Springbok side to affirm his "paternal role" as a confidante and advisor to the players, a Saru statement said.

Christie has coached South Africa to 14 straight Test victories, including six in the World Cup that culminated with the 15-12 extra-time defeat of New Zealand. He devised the blanket defensive strategy that neutralised the All Black wing Jonah Lomu in the final.

The Saru statement said Christie would only commit himself to staying on as coach through the All Black tour.

At the same time, Saru said the Transvaal Rugby Union had sought permission to talk to Christie about coaching the provincial side.

In its statement, Saru said it had no objections to Christie assuming the Transvaal position because it would give him first-hand knowledge of provincial players and exposure to Australians and New Zealanders competing in next year's Super 12 provincial series.

A former Springbok Ray Mordt, who later played rugby league with Wigan, was appointed as one of two assistant coaches to Christie.

Mordt was Christie's original choice when he accepted the job in August last year, but his rugby league ties caused the International Rugby Football Board to block his appointment.

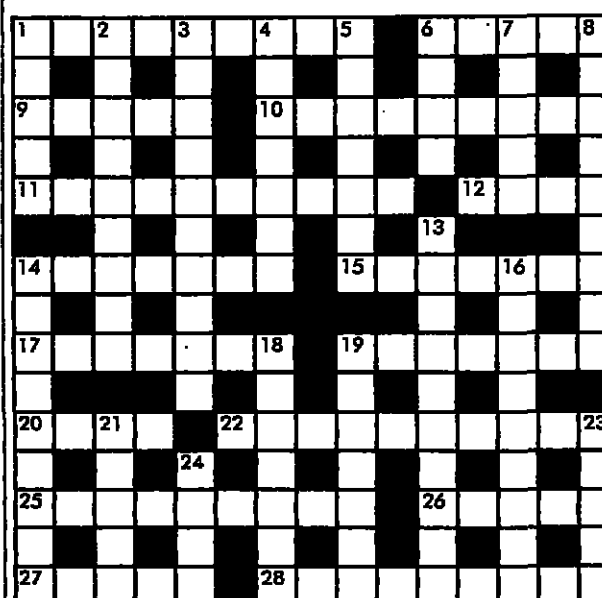
The radical changes subsequently introduced by the IRFB have allowed Saru to appoint Mordt as coach of the backs and general squad fitness advisor.

## THE INDEPENDENT CROSSWORD

No. 2856, Wednesday 13 December

By Aquila

Wednesday's Solution



- ACROSS**
- Chap on foot, Bill, upset when confined by shackles (9)
  - Way a politician makes his mark? (5)
  - Some Africans forbid familiar mode of address in France (5)
  - Ring fitted to wild game should make one sound louder (9)
  - Dog takes a test around ring, in care of keeper (10)
  - Busy creature at opening of tulip is a sugar-producer (4)
  - Higher course for those qualified marines, perhaps? (7)
  - Pledge is put back into warehouse (7)
  - End of first editions? These papers may be thrown away (7)
  - Something to defend people from unorthodox giant English openers (7)
  - Lone Ranger a coward? (4)
  - Propose tenderly in deep resonant tones (10)
  - Exhausted, having concentrated too much (9)
  - Society high-point, say (5)
  - Wood-nymph cutting advertisement (5)
  - Beloved certain to be in step? (9)
  - Like a solid youngster in charge? (5)
  - One does not learn much from Omar, using a translation (9)
  - Indecent language, a trouble in the Cotswolds (4,6)
  - Lover married, unfortunately (7)
  - Scrooge pulling up short (7)
  - Pass out in the trenches (4)
  - Got up like a climber, possibly? (5)
  - Natty reps turned out in Welsh resort (9)
  - Pooh's tea is prepared as a perfect example of its type (10)
  - Cabinet-maker settled in Arden, for example (9)
  - Spectacles always for tourists? (10)
  - Striking stranger in street (7)
  - Grid taking part in mean net-tennis (7)
  - Sad air, for example, in cathedral city (5)
  - Wild donkey has no name for being harnessed (5)
  - Dues paid out when employed (4)

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## IN BRIEF

Major's EU warning

John Major has warned that the UK will not accept a single currency unless it is a condition of membership of the EU.

Road to ruin

The motor industry is expected to lose £1.5 billion in the next year due to a combination of factors.

Chinese dissident jailed

China's dissident Wang Jiaqi has been sentenced to 12 years in prison for his activities.

Today's weather

Forecast for today: Partly cloudy with some rain. Section ONE

سكنا من الامم